

**Vol. IV.**  
**TRANSCRIPT OF RECORD.**

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**SUPREME COURT OF THE UNITED STATES.**

**OCTOBER TERM, 1931.**

**14-18 15-16**  
**Nos. 2252, Original.**

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**THE COMMONWEALTH OF PENNSYLVANIA,**  
**COMPLAINANT,**

**vs.**

**THE STATE OF WEST VIRGINIA.**

**THE STATE OF OHIO, COMPLAINANT,**

**vs.**

**THE STATE OF WEST VIRGINIA.**

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**EXHIBITS, VOL. II.**

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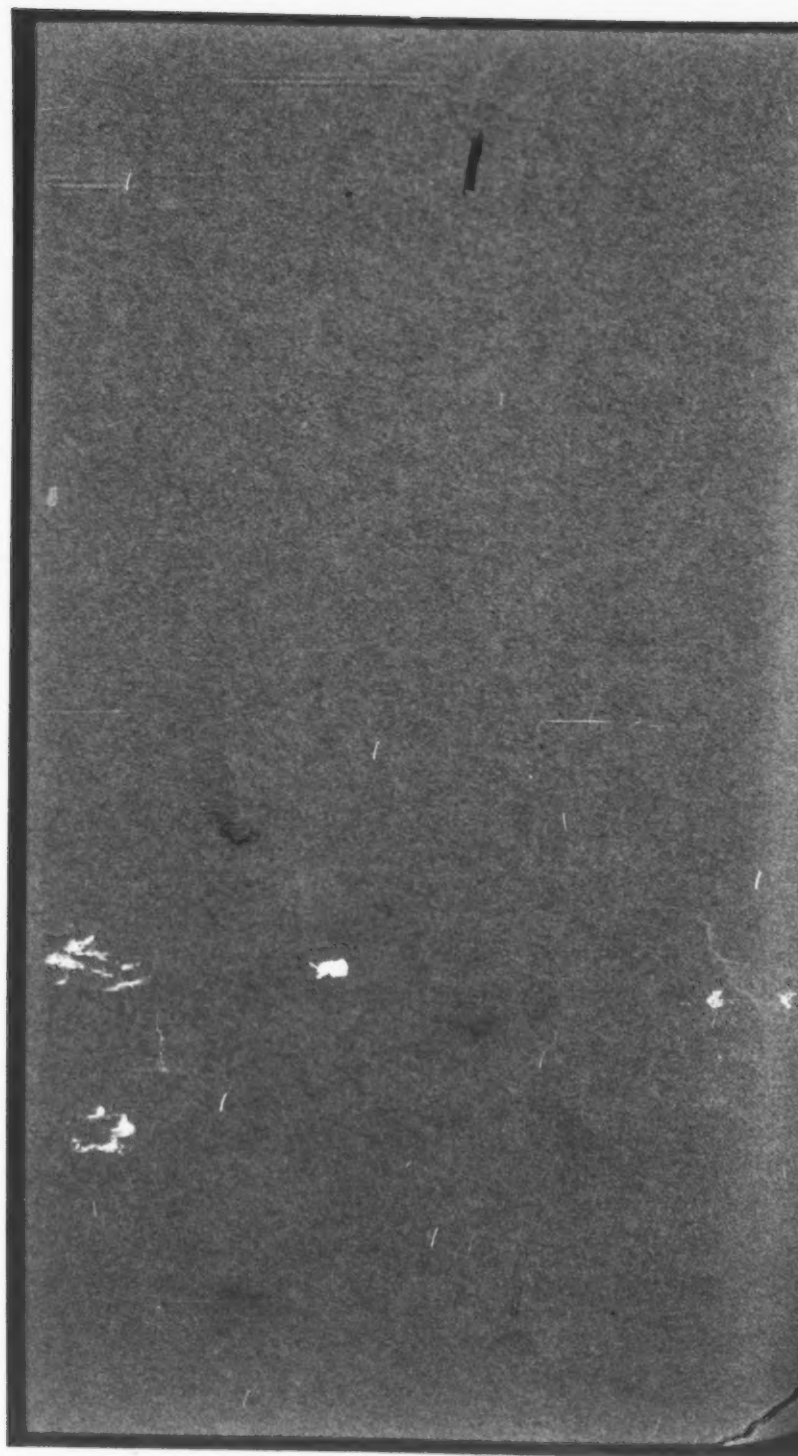
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SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1921.

Nos. 20-21, Original.

THE COMMONWEALTH OF PENNSYLVANIA,  
COMPLAINANT,

-  
vs.

THE STATE OF WEST VIRGINIA.

THE STATE OF OHIO, COMPLAINANT,

vs.

THE STATE OF WEST VIRGINIA.

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**SUPREME COURT OF THE UNITED STATES**

**Nos. 20 and 21, Original.**

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**THE COMMONWEALTH OF PENNSYLVANIA**

**vs.**

**THE STATE OF WEST VIRGINIA.**

**THE STATE OF OHIO**

**vs.**

**THE STATE OF WEST VIRGINIA.**

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(Copy.)

(Original Rtd. to Gas Co.)

EXHIBIT WEST VIRGINIA NO. 1. J.

*Gas Purchase Agreement.*

Hope Natural Gas Company & the Manufacturers Light and Heat  
Company.

224 This agreement, Made this 1st day of May, A. D. 1910, by  
and between the Hope Natural Gas Company, a corporation  
organized and existing under the laws of the State of West Virginia

after called the "Hope Company," and The Manufacturers and Heat Company, a corporation organized and existing under the laws of the State of Pennsylvania, hereinafter called the Manufacturers Company,"

Whence: the Hope Company owns or holds under leases extensive tracts of gas-producing territory in the State of West Virginia, and owns pipe lines for the transportation of gas from the wells or where same is received from other producers to various points, and is engaged in the business of producing natural gas and purchasing the same from other producers and selling and delivering the same to companies engaged in the business of distributing natural gas, and also, through its distributing systems in the State of West Virginia, to domestic consumers, manufacturers and other consumers of natural gas in that state, and

Whereas, the Hope Company is desirous of extending its natural gas business and its markets for the sale of natural gas, and

Whereas, the Manufacturers Company owns substantially all of the Capital Stock of the following Companies, to wit:

Manufacturers Light & Heat Company, a corporation organized under the laws of West Virginia;  
 Wheeling Natural Gas Company;  
 State Gas Company;  
 Wetzel Gas Company;  
 Ohio Valley Gas Company;  
 Cumberland Water & Gas Company;

The said Manufacturers Company, and the companies aforesaid, own and control, own systems for the distribution and sale of natural gas in the following cities and towns:

Burg,  
 gheny,  
 hington,  
 opolis,  
 evue,  
 ckley,  
 ester,  
 Brighton,  
 er,  
 Castle,  
 ton,  
 Liverpool,  
 sburg,  
 benville,  
 aire,  
 xville,  
 eling,  
 Martinsville,  
 egie,  
 onald,



and a large number of other cities and towns in the States of West Virginia, Ohio and Pennsylvania, and

Whereas, the Manufacturers Company and the companies which it controls require for the supply of the domestic consumers  
226 and other consumers upon the various distributing systems which said companies own, a large and regular supply of natural gas, and

Whereas, the said companies have heretofore been obtaining the natural gas requisite for the supply of their consumers in part from gas territory leased by one or other of said Companies, and in part under contracts made from time to time with producers on or near lines of pipe owned by one or other of said Companies; but the continuance of an adequate and regular supply of gas from the sources aforesaid could be insured only by large additional investments in gas territory and large and continued expenditures in the construction of additional pipe lines, and

Whereas, contemporaneously with this agreement the Hope Company has purchased or taken over such pipe lines, gas leases and existing contracts for the purchase of gas, as in view of this agreement the said Companies desire to dispose of, and

Whereas, the Manufacturers Company deems that this agreement together with the gas territory and contracts with other parties for the purchase of gas which are still retained by the Manufacturers Company and the Companies which it controls, will insure to said Companies an adequate, reliable and regular supply of gas for the  
supply of their consumers;

227 Now, therefore, in consideration of the premises and of the mutual agreements hereinafter contained, the parties hereto agree as follows:

First. From May 1st, 1910, to October 31st, 1910, both dates inclusive, the Hope Company will sell and deliver to the Manufacturers Company, and the Manufacturers Company will purchase and take from the Hope Company on each and every day at least twenty-two million five hundred thousand (22,500,000) cubic feet of natural gas. From November 1st, 1910, to April 30th, 1911, both dates inclusive, the Hope Company will sell and deliver to the Manufacturers Company, and the Manufacturers Company will purchase and take from the Hope Company on each and every day at least forty-five million (45,000,000) cubic feet of natural gas.

From May 1st, 1911, until the expiration of this contract, the Hope Company will sell and deliver to the Manufacturers Company, and the Manufacturers Company will purchase and take from the Hope Company in each year an amount of natural gas at least equal to the amount of natural gas deemed requisite to supply during such year the domestic consumers upon the distributing systems now owned by the Manufacturers Company and the companies which it controls.

Second. Not less than thirty (30) days prior to May 1st, 1911, and not less than thirty (30) days prior to May 1st in each year

during the continuance of this contract, subsequent to May 1st, 1911, the engineers of the parties hereto shall, if possible, agree upon the amount that will be requisite for the supply of the domestic consumers aforesaid during the year commencing on May 1st succeeding the time of such agreement. If such agreement is reached, the amount agreed upon shall be the amount of natural gas deliverable hereunder during the year as to which such agreement is made, unless the parties hereto shall mutually agree upon a larger amount, in which case such larger amount shall be the amount deliverable hereunder during such year; in case the engineers of the parties hereto are unable to agree upon the amount that will be requisite to supply the consumers aforesaid during any year, no agreement is made between the parties hereto as to the amount to be delivered during such year, the amount deliverable hereunder during such year shall be the amount which was found necessary to supply the consumers aforesaid during the previous year, six per cent (6%) of such amount.

At the time of the agreement between the parties hereto as to the amount of gas to be delivered hereunder during any year, said engineers shall, if possible, agree upon the proportion of the total amount deliverable during such year which is to be delivered during each month of such year, provided, however, that the amount to be delivered from May 1st to October 31st, inclusive, during such year, shall be at least one-half of the amount to be delivered between November 1st and April 30th, inclusive, in *in* such year; in case the engineers of the parties are unable to agree upon the amounts to be delivered during each month of the year, the proportion of the total amount deliverable during such year, which shall be deliverable during each month of such year shall be as follows:

	Per cent.
May	71½
June	43¾
July	41½
August	41½
September	43¾
October	71½
November	101½
December	12
January	12½
February	12
March	11
April	8½

The amount deliverable each month shall be delivered and taken throughout the month, approximately equal amounts being delivered each day;

Provided, however, that the Manufacturers Company shall have the right to reduce or increase the amount to be delivered during any month so long as the amount delivered and taken is between

95 per cent and 105 per cent of the amount deliverable during such month, determined as hereinbefore provided, and shall have the right to increase or reduce the amount of gas to be delivered on any day of a month so long as the amount delivered and taken on the said day is between 90 per cent and 110 per cent of the average amount per day deliverable during the month, determined as  
230 hereinbefore provided; it being understood that the Manufacturers Company shall take during each year the full amount deliverable during such year, determined as hereinbefore provided, and shall take each month at least 95 per cent of the amount deliverable during such month.

Third. The gas deliverable hereunder shall be delivered by the Hope Company and taken by the Manufacturers Company at measuring stations to be located at Sedalia, Doddridge County, West Virginia, and at Morgan, Marion County, West Virginia, and at or near Iuka, Tyler County, West Virginia, and at such other points as may from time to time be agreed upon between the parties hereto; the engineers of the parties hereto shall from time to time agree upon the proportion of such gas to be delivered at each of said stations; in case of the failure of the engineers so to agree, the Hope Company shall deliver the gas at each station in the proportions designated by the Manufacturers Company in so far as it can make such delivery from its current sources of supply without additional investment in pipe lines, compressing stations or transportation facilities.

It is agreed, however, that the Hope Company only undertakes to deliver at Iuka the proportion of gas deliverable and to be taken by the Manufacturers Company at the station at or near Iuka, during  
the term of the contract between The Freehold Oil & Gas  
230½ Company, of the one part, and the Tri-State Gas Company, of the other part, bearing date the 21st day of September, 1909, the Manufacturers Company agreeing to comply with the terms of said contract.

The amount of gas furnished and delivered hereunder at each point of delivery shall be determined as follows: Readings of the Pitot tubes and pressure gauges hereinafter provided for shall be made at regular fifteen-minute intervals throughout the twenty-four hours of each day, and duplicate statements of the readings shall be mailed daily to the Hope Company and to the Manufacturers Company; from such readings of the measuring tubes the amount of natural gas furnished and delivered each month shall be computed on the basis of ten ounces pressure above atmospheric according to Boyle's Law for the measurement of gas at varying pressures. This method of measurement is hereby adopted as the basis of measurement for the purposes of this contract, and payment for gas shall be made upon the monthly statements rendered by the Hope Company to the Manufacturers Company showing the total computation of gas so measured during the month.

Such gas shall be delivered by the Hope Company at the points of delivery at a pressure of at least sixty pounds; and shall be delivered

against the varying pressures in the lines of the Manufacturers Company not exceeding 200 pounds, so far as such delivery can be made under natural pressure from the wells without resorting to artificial means of compression.

The Pitot tubes for the measurement of the gas deliverable hereunder shall be of standard type. The Hope Company will erect or cause to be erected measuring stations at the points of delivery. All apparatus and equipment to be installed and operated in said stations, and the character and efficiency thereof shall be satisfactory to both parties hereto. One-half the cost of erecting and equipping said stations shall be paid to the Hope Company by the Manufacturers Company.

Said stations, equipment and apparatus shall be operated jointly by both companies and the expense of operating and maintaining said stations after the same shall have been completed and equipped and in working order, and the expense of checking the operation and registration of the measuring apparatus shall be equally divided between the parties hereto.

Fourth. For the purposes of this agreement domestic consumers shall be deemed to include all such consumers of gas as according to the present system of accounts used by the Manufacturers Company are classed as domestic consumers.

Fifth. The Manufacturers Company, on or before the tenth day of each month during the continuance of this contract shall furnish to the Hope Company a statement showing the amount of gas supplied by the Manufacturers Company and the companies which it controls, during the preceding month, to domestic consumers upon the systems now owned or controlled by said companies. Whenever practicable, the amount of natural gas supplied to any such consumers shall be measured by meters of standard type.

All meters used for measuring gas delivered to domestic consumers shall be at all times open to the inspection of the representatives of the Hope Company, and all books and records of the Manufacturers Company and of the companies which it controls, shall, likewise be open to the inspection of the representatives of the Hope Company at all reasonable times.

Sixth. The Manufacturers Company shall pay the Hope Company for all gas delivered hereunder as follows:

all natural gas delivered from May 1st, 1910, to October 31st, 1910, inclusive.....	7½¢ per M cu. ft.
all natural gas delivered from November 1st, 1910, to April 30th, 1911, inclusive.....	8¢ per M cu. ft.
all natural gas delivered from May 1st, 1911, to April 30th, 1912, inclusive.....	9¢ per M cu. ft.
all natural gas delivered from May 1st, 1912, to April 30th, 1913, inclusive.....	10¢ per M cu. ft.
For all natural gas delivered from May 1st, 1913, to April 30th, 1914, inclusive	11¢ per M cu. ft.

For all natural gas delivered from May 1st, 1914, to April 30th, 1915, inclusive.....	12¢ per M cu. ft.
For all natural gas delivered from May 1st, 1915, to April 30th, 1916, inclusive.....	13¢ per M cu. ft.
For all natural gas delivered from May 1st, 1916, to April 30th, 1917, inclusive.....	14¢ per M cu. ft.

and for all natural gas delivered hereunder on and after May 1st, 1917, a price equal to fifty per cent (50%) of the average price realized by the Manufacturers Company and the companies which it controls, for natural gas sold to domestic consumers; Provided, however, that the price paid to the Hope Company shall not be less than fifteen cents (15¢) per thousand cubic feet of gas delivered by the Hope Company to the Manufacturers Company; and provided, further, that in case any tax or assessment is hereafter imposed on natural gas for use in or export from the State, or on the sale or exportation from the State of natural gas, or in any other manner so as to constitute in effect a charge upon the gas delivered hereunder, the amount of such tax or assessment or charge shall be borne by the Manufacturers Company in so far as it affects or relates to or is apportionable to the natural gas deliverable hereunder; and in the event that the Hope Company is required to pay the same, the amount thereof shall be paid by the Manufacturers Company to the Hope Company in addition to the prices above stated; and provided further that in case at any time or

234 times after April 30th, 1917, general conditions affecting the cost of producing natural gas have so changed that the cost of gas to the Hope Company is materially increased, or by reason of it being necessary for the Hope Company to obtain same from greater distances, the cost of obtaining and delivering the same is materially increased, the prices hereinabove specified to be paid to the Hope Company shall be correspondingly increased, and that if the parties hereto are unable to agree as to the proper amount of such increase, the question of the proper amount thereof shall be submitted to arbitration and the prices thereafter to be paid by the Manufacturers Company shall be the prices as fixed by such agreement or arbitration.

Seventh. The obligation of the Hope Company to deliver gas hereunder shall be limited to the amount which it is currently able to supply from its own production and such current contracts as it may then have for the purchase of gas, consistently with its present or future contracts with other purchasers, provided, however, that until the present floating indebtedness of the Manufacturers Company is paid off, if it is paid off within seven years from May 1st, 1910, or if such floating indebtedness is not paid off within said seven years, then, until the expiration of said seven years, the Hope Company will supply to the Manufacturers Company under this agreement a proportion of its production of gas

235 not exceeding the domestic consumption of the Manufacturers Company and of the companies controlled by the Manufacturers Company at least equal to the proportion which the num

ber of domestic consumers supplied by the Manufacturers Company and its subsidiary companies bears to the total number of domestic consumers on all the systems then obtaining their supply of gas from the Hope Company, including the system of the Manufacturers Company and its subsidiary companies. And that after said floating indebtedness has been paid off or said seven years have expired, the Hope Company is to have the right to supply its own domestic consumers in West Virginia, and to supply The East Ohio Gas Company and The Peoples Natural Gas Company to the extent of their requirements for domestic consumers upon the systems now owned or supplied by said companies, in preference to the Manufacturers Company, but otherwise is not to give other purchasers a preference over the Manufacturers Company. It is understood that said preference to The East Ohio Gas Company and The Peoples Natural Gas Company shall not include consumers hereafter obtained by the purchase, absorption or merger of other companies or lines, or by extraordinary extensions of the lines of said companies, but only the ordinary growth and accretions of natural gas companies in the territory now occupied by said companies.

Eighth. The Manufacturers Company will use its best efforts to develop and extend the distribution and sale of natural gas to domestic consumers both on its own systems and on the systems of the companies which it controls, and to this end will make such solicitations and demonstrations as are reasonable and customary to induce the greater consumption of natural gas, and will introduce and furnish such appliances for its uses on reasonable terms; and will at all times during the continuance of its contract use every endeavor to secure domestic consumers and build up and extend the sale of gas for domestic purposes.

Ninth. At all times during the continuance of this contract, the transportation and distribution of natural gas by the Manufacturers Company, and its transportation and distributing system, and the transportation and distribution of natural gas by each of the controlled companies, and the transportation and distributing systems of each of such companies shall be in charge of an officer appointed by the Board of Directors and subject only to the Board.

Tenth. The Manufacturers Company agrees to set aside and deposit with the Colonial Trust Company or some other trust company or financial institution to be selected by the Manufacturers Company, the sum of Two hundred thousand dollars (\$200,000.00) and agrees that all of said sum shall be expended under the direction of the officer to be appointed by the Manufacturers Company pursuant to the preceding paragraph hereof, in the improvement and betterment of its distributing system, the distributing systems of the companies which it controls; until paid out for such purposes upon the order of such officer, all remain on deposit with the Colonial Trust Company, or the designated depository; provided, however, that in case John L. Porter, George W. Crawford and John G. Pew, or a majority of them,



shall report in writing to the Manufacturers Company and to the Colonial Trust Company that a smaller amount than two hundred thousand dollars (\$200,000.00) is sufficient to effect the requisite improvements and betterments in said distributing systems, the excess over the amount reported by them to be requisite for such purposes shall be at once repaid to the Manufacturers Company.

Eleventh. In case of the acquisition at any time hereafter by the Manufacturers Company or by any of the companies which it controls of an additional distributing system or of stock representing such system, and requiring an additional domestic supply, the amount of natural gas requisite for the supply of the domestic consumers on such system not obtainable from properties or under contracts appurtenant to and taken over in connection with such system, shall, at the option of the Hope Company, be added to the amount of gas to be purchased and taken hereunder; provided, however, that the

238      Hope Company shall, in case of any such system, exercise such option within sixty days after written notice from the Manufacturers Company requiring it so to do.

Twelfth. If at any time during the continuance of this contract the requirements of the Manufacturers Company and the Companies which it controls, exceed the amounts of gas deliverable by the Hope Company hereunder or obtainable by said companies under contracts which they now have with other parties for the purchase of gas, or obtainable from territories now owned or leased by them, the Manufacturers Company will purchase from the Hope Company the amount of such excess requirements so far as the Hope Company is willing to supply the same on terms as favorable to the Manufacturers Company as those on which the same can be obtained from other sources.

Thirteenth. The Hope Company undertakes and agrees that at all times during the continuance of this contract it will use all reasonable diligence in developing and extending its gas leases and properties and in obtaining gas therefrom for the purpose of fulfilling its obligations hereunder, and that it will use all reasonable diligence to drill wells and maintain its pipe lines and wells in good order and condition to supply the gas which it has herein undertaken to deliver.

239      Fourteenth. Where either party to this contract fails to perform any obligation herein assumed by it, and such failure is due to the Acts of God, or a public enemy, strikes, riots, injunctions or other interferences through legal proceedings, breakage or accident to machinery or lines of pipe, washouts, earthquakes, storms, freezing of lines or wells, failure of gas wells in whole or in part, or to any causes not due to the fault of such party, or is caused by the necessity for making repairs or alterations in machinery or lines of pipe, such failure shall not be deemed to be a violation by such party of its obligations hereunder, but such party shall use due diligence to again put itself in position to carry out all the obligations, which by the terms hereof, it has assumed.

Fifteenth. The gas to be supplied by the Hope Company under this agreement shall be so supplied in the same condition as it leaves the wells except as to such changes as are incident to the usual processes of compression and pumping, or in the course of transportation.

Sixteenth. The amounts payable to the Hope Company hereunder for gas delivered hereunder in each calendar month shall be paid by the Manufacturers Company to the Hope Company on or before the twentieth day of the following month.

Seventeenth. It is mutually understood and agreed that in case the Manufacturers Company shall fail to pay to the Hope Company any amounts that may be due and payable hereunder to the Hope Company within twenty (20) days after such amount becomes due and payable, or to perform the covenants of this agreement, the Hope Company shall have the right, without cancelling this contract or waiving any of its rights hereunder, after ten days' written notice to the Manufacturers Company of its intention so to do, to suspend the delivery of natural gas hereunder until all amounts due to it are paid, or at its option shall have the right to terminate this contract on thirty (30) days' notice to the Manufacturers Company without prejudice to its right to collect the amounts due it at the time of such termination for any gas previously furnished hereunder.

Eighteenth. The Manufacturers Company during the continuance of this contract, shall at all times exercise due diligence to maintain its distributing system and the distributing systems of the companies owned and controlled by it in good order and condition. The Hope Company will likewise exercise due diligence to maintain in good order and condition its pipe line system so far as necessary for the transportation of the natural gas which it is obligated to deliver hereunder.

Nineteenth. This contract shall be binding upon the parties hereto and their successors and assigns, respectively, provided, however, that in case the gas distributing system now or hereafter owned or controlled by the Manufacturers Company is substantially broken up so that substantial parts thereof are vested in different owners, the Hope Company, at its option, shall have the right to terminate this contract.

Twentieth. The Manufacturers Company represents that Schedule hereto annexed, correctly sets out the floating indebtedness of said company; that Schedule B hereto annexed, correctly sets out the contracts which the Manufacturers Company and the companies which it controls now have with other parties for the purchase of gas; and that Schedule C hereto annexed, correctly sets out the leases of its territory held by the said companies.

Twenty-first. This contract, unless sooner terminated pursuant to the provisions herein contained or in consequence of the default of either party and the election of the other to treat it as abrogated, shall continue for twenty years from the date hereof.

In witness whereof the Hope Natural Gas Company and The Manufacturers Light & Heat Company have caused this agreement to be executed in duplicate in their respective names by their respective  
 242 Presidents or Vice Presidents, and their respective corporate  
 seals to be hereto affixed and attested by their respective Secretaries this 27th day of June, A. D. 1911, as of the day and year first above written.

[CORPORATE SEAL.] HOPE NATURAL GAS COMPANY,  
 By JOHN G. PEW,  
*Vice President.*

Attest:

CHRISTY PAYNE,  
*Secretary.*

[CORPORATE SEAL.] THE MANUFACTURERS LIGHT  
 & HEAT COMPANY,  
 By JOHN E. GILL,  
*President.*

Attest:

H. E. SEIBERT,  
*Secretary.*

243 SCHEDULE "A."

*Floating Indebtedness, April 30th, 1910.*

Bills Payable.

Colonial Trust Company .....	\$2,036,366.60
Booth & Flinn .....	46,808.35

Covered by agreement with The Colonial Trust Company .....	\$2,083,174.95
Union Deposit Bank, Steubenville .....	10,000.00
Coraopolis Savings & Trust Company .....	12,500.00
E. V. Selden .....	10,000.00
Colonial Trust Company .....	630,000.00
C. M. Crawford .....	18,229.05
J. H. McDermott .....	10,162.50
Reese & Rinehart .....	5,423.75
E. H. Jennings Bros. Company .....	40,000.00
Dresser Manufacturing Company .....	5,644.25
Snow Steam Pump Works .....	10,000.00
George W. Rowley .....	6,087.17
Williams & Birch .....	1,233.00
W. H. Seybert .....	2,293.00
Frank T. Burns .....	5,366.00
Pittsburgh Valve, Foundry and Construction Company .....	9,380.34

## SCHEDULE "B."

*Contracts for Purchase of Gas.*

Selling party.	Purchaser.	Date.	Acres.	District.	County.
Southern Carbon Company.....	The Wheeling Natural Gas Company.....	March 11, 1907.....	819	West Union .....	Doddridge.
G. H. Trainer and J. E. Trainer.....	The Wheeling Natural Gas Company.....	March 14, 1907.....	355	.....	Doddridge.
G. H. Trainer and J. E. Trainer.....	The Wheeling Natural Gas Company.....	November 25, 1907....	8	Grant & West Union.....	Doddridge.
G. H. Trainer and J. E. Trainer.....	The Wheeling Natural Gas Company.....	September 22, 1909....	296.12	McClellan .....	Doddridge.
G. H. Trainer, J. E. Trainer, R. K. Jones, S. E. Strother, W. L. Strother.	The Wheeling Natural Gas Company.....	October 18, 1909.....	102	Grant .....	Doddridge.
G. H. Trainer, J. E. Trainer, R. K. Jones, S. E. Strother, W. L. Strother.	The Wheeling Natural Gas Company.....	October 18, 1909.....	43	Grant .....	Doddridge.
Diamond Oil & Gas Company.....	The Wheeling Natural Gas Company.....	October 1, 1909.....	102	Grant .....	Doddridge.
Eastern Oil Company.....	The Wheeling Natural Gas Company.....	December 28, 1908....	1,026	West Union .....	Doddridge.



P. L. Wally .....	3,441.96
F. L. Black & Bros. ....	13,265.44
Montour Gas Company .....	7,800.00
Cecil Lumber Company .....	1,400.00
C. & G. Cooper Company .....	7,750.00
A. C. McGinnis .....	2,000.00
T. J. Burns .....	2,082.00
South & Sedwick .....	3,000.00
Snyder & Pentz .....	3,380.92
J. W. Moorhead .....	10,224.00
	<hr/>
	\$2,913,838.33

In addition to the foregoing, the reports of the Company show the following items of Floating Indebtedness:

Accounts payable .....	\$300,913.55
Security Deposits .....	97,920.56
Advance Payments .....	5,101.54

(Here follows Schedule "B," contracts for purchase of gas, marked page 244.)



245 HOPE AND L., F. & P. CO.S' AGREEMENT, W. VA. EX. 2.

(Introduced at Page 284, Record.)

*Copy of West Virginia Exhibit No. 2.*

(Original Retd. to Gas Co.)

This agreement, Made and entered into this 22nd day of November, A. D. 1911, by and between Hope Natural Gas Company, a West Virginia corporation, party of the first part, and The Light, Fuel & Power Company of West Virginia, also a West Virginia corporation, party of the second part,

Witnesseth: That whereas, *that* party of the second part, being the owner of a 3 inch pipe line extending from a point near the town of Burnsville, in Salt Lick District, Braxton County, West Virginia, to the towns of Flatwoods and Sutton, with branch lines to the town of Burnsville and intermediate villages, and being the owner of franchises or rights therein to supply natural gas, desires to buy from the party of the first part the natural gas to be supplied to consumers in said towns, and

Whereas, the party of the first part, being the owner of gas leases and wells in Braxton and Lewis Counties, is willing to construct a pipe line from its wells in Lewis County to unite with the line from its wells in Braxton County to connect into the pipe line owned by the party of the second part at Burnsville in order to furnish natural gas for the requirements of the party of the second part;

Now therefore in consideration of the premises, and of the mutual covenants and agreements herein contained, to be  
246 faithfully performed by each party, its successors and assigns, to the other, the parties hereto, the party of the first part hereinafter called the "Selling Company" and the party of the second part the "Buying Company," have agreed, and do hereby mutually agree as follows:

First. The selling company undertakes and agrees during the continuance of this contract and beginning on the 1st day of December

F. W. B. C. P. [November],\* 1911 to sell and deliver to the buying company and the buying company undertakes and agrees to purchase and take from the selling company all of the natural gas required by the buying company for the supply of all the consumers purchasing gas directly from the buying company which it now has or may hereafter acquire in the cities, towns and villages now furnished with natural gas by the buying company, and the buying company further undertakes and agrees to purchase and take from the selling company, if the latter shall hereafter undertake and agree to sell and deliver the same to it,

[\*Word enclosed in brackets erased in copy.]

all of the natural gas required by the buying company for the supply of any other company or distributing system in the general locality aforesaid under any contract now existing or hereafter made between said buying company and such other distributing company at and upon the same terms and conditions as are hereinafter set forth; providing, however, that the selling company shall not be obliged to sell and deliver, or the buying company to purchase and take, 247 gas in excess of the amounts currently required for the aforesaid purpose.

Second. The selling company agrees to construct and put into operation a pipe line extending from its gas fields in Lewis County to connect into the pipe line of the buying company at a point upon the lands of ———, situate near the town of Burnsville, in Salt Lake District, Braxton County, West Virginia. The work of constructing said line shall be commenced promptly upon the execution and delivery of this agreement and shall be prosecuted to completion with due diligence, so that the delivery of gas from said Lewis County field to supplement the supply from the Braxton County field, not later than February 1st, 1912,

F. W. B. C. P. field, shall commence [in ample time to meet the requirements of the buying company before the cold weather begins in the fall of 1911].\* The junction point of the pipe lines of the parties hereto shall be known and designated for the purposes of this contract as Burnsville Station and at that point there shall be erected a Pitot tube measuring station for the purpose of measuring the gas sold and delivered to the buying company hereunder; the said station shall be erected by the selling company, connected to the lines of each party and fully equipped, ready to be put into operation on the 1st day of February 1912

F. W. B. C. P. [November], 1911;\* the said station shall thereafter be maintained and operated by the selling company at all times with the right to employ men 248 to read or check the readings of the Pitot tubes. The reading of the Pitot tubes shall be under the joint control of the parties hereto; and shall be made at 15 minute intervals during each day of 24 hours; duplicate reports of the daily readings shall be mailed to each party.

Third. The buying company undertakes and agrees that it will pay to the selling company for the natural gas sold and delivered to it by the selling company, upon the basis of the measurements recorded by said Pitot tubes, calculated upon a pressure of 10 ounces to the square inch above 14.4 pounds atmospheric, according to Boyle's Law for the measurement of gas at varying pressures, but without allowance for temperature or barometric conditions, the following rates and prices, viz:

(a) For all gas sold and delivered from the 1st day of

[\*Words enclosed in brackets erased in copy.]

December

F. W. B. C. P. [November],\* 1911, to and including the 31st day of ~~December~~, 1916, at the rate or price of ten (10¢) per thousand cubic feet.

(b) For all gas sold and delivered from and after January 1st, 1917, that price from month to month for each one thousand cubic feet of gas equal to fifty (50) per centum of the average price per thousand cubic feet charged from month to month, during 249 that period, by the buying company to its domestic consumers; provided, always, that during the

C. P. F. W. B. period from January 1st, 1917, to [October],\* November 30th

F. W. B. C. P. [31st],\* 1920, both inclusive, the price to be paid by the buying company to the selling company shall at no time be less than twelve and one-half (12½¢) cents for each one thousand cubic feet of gas; and that during the period December

F. W. B. C. P. from and after [November]\* 1st, 1920, the price to be paid by the buying company to the selling company shall at no time be less than 15¢ for each one thousand cubic feet of gas.

Fourth. The buying company agrees to pay to the selling company at its offices in Pittsburgh, Pennsylvania, on or before the 25th

F. W. B. C. P. [15th]\* day of each month for all gas sold and delivered to it in the preceding month.

Fifth. No dominion or control over the natural gas delivered under this contract shall remain in the selling company after the gas passes the point of delivery above stated, nor shall the selling company be responsible for or on account of anything that may be done, happen or arise touching said gas after its delivery; and the buying company undertakes and agrees that it will at all times and from time to time keep free, save harmless and indemnify the selling company from any and all manner of claims, suits and damages on account of any conduct, act or thing touching the said 250 gas after it has left the said point of delivery.

Sixth. The Selling company undertakes and agrees that at all times during the continuance of this contract (excepting as provided in the Ninth and Tenth paragraphs hereof) it will deliver gas into the 3 inch line of the buying company so as to maintain a pressure on said line at said Burnsville Station end thereof, of not less than 150 pounds to the square inch, such pressure, however, to be maintained only so long as the pipe line system of the buying company consists of a 3 inch line from said station to Sutton, West Virginia; if the size and capacity of said line is increased then the selling com-

[\*Words enclosed in brackets erased in copy.]

any thereafter during the continuance of this contract shall not be bound to maintain said pressure of 150 pounds at Burnsville Station but shall undertake and agree at all times thereafter to use all reasonable diligence in developing and extending its gas leases and properties and in obtaining gas therefrom, and in providing and maintaining in good order and condition compressing stations, pipe lines and other facilities in the State of West Virginia to supply the requirements of the buying company hereunder.

Seventh. It is mutually understood and agreed that if the capacity of the main line of the buying company from Burnsville to Sutton is increased, then the buying company shall keep the selling company at all times fully informed of all facts tending to show the amount of natural gas which will be necessary from time to time thereafter to supply its requirements hereunder, and will, on or before the 1st day of May in each year make known to the selling company, in writing, the amount of gas which the buying company estimates will be required from time to time the year beginning with the next succeeding November 1st; and as long as the selling company exercises due diligence in making provision to supply, and does supply, the amount of natural gas estimated to be necessary to meet such requirements, it shall not be liable by reason of its failure to supply gas in excess of said estimated amount.

Eighth. It is mutually understood and agreed that in so far as the buying company during any period does not obtain from the selling company all the gas requisite for the supply of its consumers, it may obtain the amount of gas currently required to supplement the supply during such period from other sources.

Should the buying company at any time purchase additional plants to extend its distributing system and embrace any other cities or towns not herein mentioned the selling company shall have the right to require the buying company to include such additional cities or towns within the terms of this contract.

Ninth. Where either party to this contract fails to perform any obligation herein assumed by it, and such failure is due to the Acts of God, or a public enemy, strikes, riots, injunctions or other interferences through legal proceedings, breakage or accident to machinery or lines of pipes, washouts, earthquakes, storms, freezing of lines or wells, sudden or unforeseen failure of gas wells, or to any causes not due to the fault of such party, or is caused by the necessity for making repairs or alterations in machinery or lines of pipe, such failure shall not be deemed to be a violation by such party of its obligations hereunder, but such party shall use due diligence to again put itself in position to carry out all of the obligations, which, by the terms hereof, it has assumed.

Tenth. This contract shall continue between the parties hereto for the term of twenty (20) years from the 1st day of

December

F. W. B. C. P. [November],\* 1911, but the obligation of the selling company to deliver gas hereunder shall be limited to the amount which it is currently able to supply from its own production consistently with its present or future contracts with other purchasers, Provided, however, that the selling company is to have the right at any and all times to supply the domestic consumers connected to its own system in West Virginia 253 which it is supplying with gas and to The East Ohio Gas Company, The River Gas Company and The Peoples Natural Gas Company, to the extent of their requirements for domestic consumers, in preference to the buying company, but otherwise is not to give other purchasers the preference over the buying company.

The selling company reserves the right to surrender, exchange, sell and dispose of any part of the gas properties now or hereafter owned or leased by it; should, however, the selling company desire to sell all of its gas properties situate in Lewis County, West Virginia, it shall do so only subject to this agreement.

Eleventh. It is mutually understood and agreed that in case the buying company shall fail to pay to the selling company any amounts that may be due and payable hereunder to the selling company within twenty (20) days after such amount becomes due and payable, or to perform the covenants of this agreement, the selling company shall have the right, without cancelling this contract or waiving any of its rights hereunder, to suspend the delivery of natural gas hereunder until all amounts due to it are paid, or, at its option, shall have the right to terminate this contract on thirty (30) days' notice to the buying company without prejudice to its right to collect the amounts due it at the time of such termination 254 tion for any gas previously furnished hereunder.

Twelfth. This contract shall be binding upon the parties hereto and their successors and assigns, respectively, Provided, however, that in case the gas distributing system now or hereafter owned, controlled or supplied by the buying company is broken up, so that parts of the system are disconnected, or are vested in different owners, the selling company, at its option, shall have the right to terminate this contract.

In witness whereof the parties hereto have hereunto caused their corporate names to be signed by their respective Presidents or Vice Presidents, and their respective seals to be hereunto affixed by their respective Secretaries, the day and year first above written.

Executed in duplicate.

[Corporate Seal.]  
(Sgd.)

HOPE NATURAL GAS COMPANY,  
By J. W. R. CRAWFORD,  
Vice President.

[\*Word enclosed in brackets erased in copy.]

Attest:

(Sgd.) CHRISTY PAYNE,  
*Secretary.*

[Corporate Seal.]

THE LIGHT, FUEL AND POWER  
COMPANY OF WEST VIRGINIA,(Sgd.) By JOHN C. WELWOOD,  
*President.*

Attest:

(Sgd.) FERNANDO W. BENNER,  
*Assistant Secretary.*

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*Memorandum of Agreement.*

The undersigned, being the holders of all of the bonds secured by mortgage, deed of trust or otherwise, upon the properties of the Light, Fuel & Power Company of West Virginia, do hereby ratify, approve and confirm the agreement to which this is attached, between the said Light, Fuel & Power Company of West Virginia, and Hope Natural Gas Company, bearing date the — day of —, 1911, and do for ourselves, our heirs, personal representatives and assigns, respectively covenant and agree that the lien or liens securing the payment of said bonds and interest thereon shall be subservient to the said agreement, and that any foreclosure of such lien or liens resulting in a sale of the property of said Light, Fuel & Power Company of West Virginia, or any part thereof, shall be made in such manner as to preserve and keep unimpaired the said agreement of the — day of —, 1911.

Given under our hands and seals this — day of —, 1911.

— — —  
— — —

256 PGH. & W. VA. AND EQUITABLE Co.'s AGR. NO. 1, W. VA.  
EX. 3.

W. VA. EX. NO. 3. E. M.

(Introduced at Page 529, Record.)

This agreement made this 31st day of July, A. D., 1914, between the Pittsburgh and West Virginia Gas Company, a corporation of the State of West Virginia, (hereinafter called "Pittsburgh"), party of the first part, and the Equitable Gas Company, a corporation of the Commonwealth of Pennsylvania, (hereinafter called "Equitable"), party of the second part;

Whereas, Pittsburgh controls certain lands and leases situate in Lewis, Gilmer, Wetzel, Doddridge, Tyler, Marshall, Monongalia, Ritchie, Harrison, Marion, Pleasants, Braxton, Taylor, Upshur, Webster, Calhoun, Randolph and Barbour Counties, West Virginia, and now has Seven Hundred Ninety-Five (795) producing gas wells thereon; and

Whereas, Equitable desires the right to purchase from Pittsburgh for the period of thirty-four (34) years from August 1st, 1914, all or so much gas produced from its wells, now drilled, or hereafter to be drilled in the State of West Virginia, remaining after the latter supplies all the customers it now has or hereafter may have in the State of West Virginia, as Equitable may wish to buy, and Pittsburgh is willing to sell the same to Equitable,

Now, this agreement witnesseth, That in consideration of the premises, the covenants hereinafter contained, and the sum of One Dollar (\$1.00) by each to the other paid, the receipt whereof is hereby acknowledged, it is agreed by and between the parties hereto as follows:

First. Pittsburgh does hereby sell to Equitable and agrees that Equitable may take, and Equitable does hereby agree to take and pay for as hereinafter set forth so much natural gas as Equitable may require over and above the gas used by it which has been produced in the States of Pennsylvania and Ohio, for the period of thirty-four (34) years from August 1st, 1914, from all of the wells now operated or hereafter operated by Pittsburgh in the State of West Virginia, remaining after Pittsburgh supplies all the customers it now has or hereafter may have in the State of West Virginia.

257 Second. The gas sold shall be delivered into the pipe lines of Equitable against the varying pressures therein, in a dry and marketable condition, at certain points on the dividing line between the States of West Virginia and Pennsylvania. The quantity thereof shall be metered or measured at certain points near said dividing line which points shall be agreed upon by the parties hereto.

Third. Equitable shall have charge of the metering or measuring of all gas sold or to be sold hereunder whenever such metering or measuring is done within the State of Pennsylvania, with the right in Pittsburgh, at all times, to have access to the meters and meter records and measuring devices, with the right to test said meters or measuring devices at all reasonable times.

Pittsburgh shall have charge of the metering or measuring of all gas sold or to be sold hereunder whenever such metering or measuring is done within the State of West Virginia, with the right in Equitable, at all times, to have access to the meters and meter records and measuring devices, with the right to test said meters or measuring devices at all reasonable times.

Fourth. Equitable agrees to pay Pittsburgh at the rate of eleven (11) cents per thousand (1000) cubic feet until February 1st, 1915, for all natural gas delivered to it under this contract, and shall, on the tenth (10th) day of each month, make payment for all gas received by it during the calendar month preceding. On February 1st, 1915 or within five (5) days thereafter, and on the first day of February or within five (5) days thereafter in each third year thereafter, either party hereto may demand a fixing of a new price and the parties hereto shall fix the price to be paid for gas for each



ext succeeding three (3) years, but the price fixed at any period shall continue until another price is fixed hereunder. All gas delivered under this contract, is to be computed at a ten (10) ounce pressure basis above 14.7 pounds atmospheric pressure according to Boyle's Law for the measurement of gas at varying pressures, but without allowance either for temperature or barometric conditions.

Fifth. Pittsburgh agrees that it will use due diligence in developing its Leases and further agrees to use its best efforts to maintain or increase its present production.

Sixth. Pittsburgh shall have entire charge of turning gas into the lines of Equitable, but such gas shall be delivered according to the directions of Equitable and Equitable shall be required to take the gas hereby purchased by it only in such volumes and at such periods of time as it may deem necessary and proper.

Seventh. In case of any dispute arising hereunder the same shall be referred to the President of the Philadelphia Company, a corporation of the Commonwealth of Pennsylvania, whose decision thereon shall be final and conclusive.

Eighth. This agreement shall extend to and be binding upon the parties hereto, their respective successors and assigns.

Witness the due execution and delivery hereof the day and year aforesaid.

[Seal of Pittsburgh and West Virginia Gas Company.]

PITTSBURGH AND WEST VIRGINIA  
GAS COMPANY,  
By J. F. GUFFY,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

[Seal of Equitable Gas Company of Pittsburgh, Pa., Incorporated —.]

EQUITABLE GAS COMPANY,  
By J. H. PEW,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

A true copy.

E. W. WASHABAUGH,  
*Asst. Secretary.*

Mar. 4, 1920.



260 PGH. & W. VA. AND EQUITABLE COS.' AGR. NO. 2, W. VA.  
Ex. 4.

W. VA. Ex. No. 4. E. M.

(Introducing at Page 529, Record.)

Agreement, made this 3rd day of May, A. D. 1916, between the Pittsburgh and West Virginia Gas Company, a corporation of the State of West Virginia, hereinafter called "Pittsburgh," party of the first part, and the Equitable Gas Company, a corporation of the State of Pennsylvania, hereinafter called "Equitable," party of the second part.

Whereas, by an agreement dated July 31st, 1914, between the parties hereto, Pittsburgh agreed to sell to Equitable, under certain conditions, a supply of natural gas at the rate of eleven (11) cents per thousand cubic feet, from August 1st, 1914 to February 1st, 1915, and at a price to be agreed upon thereafter;

And whereas, Pittsburgh, from August 1st, 1914 to December 31st, 1914, inclusive, sold gas to Equitable at the rate of eleven cents per thousand cubic feet, and on or about December 31st, 1914, by virtue of an oral agreement between the parties hereto, the rate was changed to five cents per thousand cubic feet, and Pittsburgh sold gas to Equitable at that rate from January 1st, 1915 to January 31st, 1916, inclusive, and on or about January 31st, 1916, by virtue of an oral agreement between the parties hereto, the rate was changed to seven and one-half cents per thousand cubic feet, to continue during the year 1916, and Pittsburgh has sold gas to Equitable at that rate from February 1st, 1916 to date;

And whereas, it is the desire of the parties hereto that the aforesaid oral agreements be ratified and reduced to writing:

Now, Therefore, This Agreement Witnesseth, that in consideration of the premises, and the sum of one dollar, by each of the parties to the other in hand paid, receipt of which is hereby acknowledged, the parties hereto agree each with the other as follows:

1st. The oral agreements between the parties hereto, whereby the rate for natural gas delivered by Pittsburgh to Equitable from January 1st, 1915 to February 1st, 1916 was fixed at five  
261 cents per thousand cubic feet, and the rate for natural gas delivered from February 1st, 1916 to date was fixed at seven and one-half cents per thousand cubic feet, are hereby ratified and confirmed.

2nd. The rate of seven and one-half cents per thousand cubic feet is to continue during the calendar year 1916.

3rd. Hereafter the parties hereto shall fix the rate to be paid for gas delivered under the aforesaid agreement during the month of December of each year, and the rate so fixed shall continue in force during the following calendar year.

4th. Except as herein modified, all the terms and conditions of the agreement between the parties hereto, dated July 31st, 1914, shall be and remain in full force and effect.

5th. All the terms and conditions of this agreement shall extend and be binding upon the successors and assigns of the parties hereto.

In Witness Whereof, the said Pittsburgh and West Virginia Gas Company and the Equitable Gas Company have caused their respective corporate seals to be hereto affixed, and duly attested, the day and year first above written.

PITTSBURGH AND WEST VIRGINIA  
GAS COMPANY,  
By J. F. GUFFY,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

EQUITABLE GAS COMPANY,  
By J. H. PEW,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

I hereby certify that this is a true copy of the original agreement.

J. L. FOSTER,  
*Assistant Secretary.*

2 [Endorsed:] Phila Co. File No. 585.

3 PGH. & W. VA. AND EQUITABLE COS.' AGR. NO. 3, W. VA.  
EX. 5.

W. VA. EX. NO. 5. E. M.

(Introduced at Page 529, Record.)

Article of Agreement, made and concluded this 1st day of October, 1917, by and between the Pittsburgh and West Virginia Gas Company, a corporation of the State of West Virginia, hereinafter called "Pittsburgh," and the Equitable Gas Company, a corporation of the State of Pennsylvania, hereinafter called "Equitable:"

Whereas, by an agreement dated July 31st, 1914, between the parties hereto, Pittsburgh agreed to sell natural gas to Equitable at the rate of 11¢ per 1,000 cubic feet, and

Whereas, by the terms of a supplemental agreement dated May 1, 1916, the rate which Equitable was to pay for gas received from

Pittsburgh was fixed at  $7\frac{1}{2}\text{¢}$  per 1,000 cubic feet, which said rate is still in effect, and

Whereas, because of the greatly increased cost of said gas, the parties hereto are desirous of fixing a more equitable rate of payment for gas delivered by Pittsburgh to Equitable:

Now, Therefore, This Agreement Witnesseth that the parties hereto, for and in consideration of the sum of one dollar, by each of the parties to the other in hand paid, agree each with the other as follows, to wit:

1st. Beginning on the date hereof, Equitable agrees to pay to Pittsburgh at the rate of fifteen (15) cents per 1,000 cubic feet for all gas delivered to it under the terms of the aforesaid agreement of July 31st, 1914.

2nd. The said rate of payment shall continue in force until modified by an agreement in writing between the parties hereto.

3rd. Except as herein modified, all the terms and conditions of the said agreement of July 31st, 1914 shall be and remain in full force and effect.

4th. All the terms and conditions of this within agreement shall extend to and be binding upon the successors and assigns of the parties hereto.

In Witness Whereof, the parties hereto have caused their  
264 respective corporate seals to be hereto affixed, and duly attested, the day and year first above written.

[Seal of Pittsburgh and West Virginia Gas Company.]

PITTSBURGH AND WEST VIRGINIA  
GAS COMPANY,

By J. F. GUFFY,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

[Seal of Equitable Gas Company of Pittsburgh, Pa., Incorporated —.]

EQUITABLE GAS COMPANY,  
By J. H. PEW,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

A true copy.

J. L. FOSTER,  
*Asst. Secretary.*

Nov. 21, 1917.

265 PGH. & W. VA. AND EQUITABLE COS.' AGR. NO. 4, W. VA.  
EX. 6.

W. VA. EX. 6. E. M.

(Introduced at Page 529, Record.)

Article of Agreement, made and concluded this 6th day of June, A. D. 1918, by and between the Pittsburgh & West Virginia Gas Company, a corporation of the State of West Virginia, hereinafter called "West Virginia," and the Equitable Gas Company, a corporation of the State of Pennsylvania, hereinafter called "Equitable:"

Whereas, by agreement dated July 31st, 1914, between the parties hereto, West Virginia agreed to sell to Equitable natural gas in large quantities, the price for which, by various supplemental agreements, has been changed from time to time to meet market conditions and the cost of service, and

Whereas, on account of the increased cost of production and service, West Virginia is desirous of raising the price to be paid for gas delivered under the said contract and has requested Equitable to agree thereto, and the parties hereto have agreed to an advance in price, to be effective until it has been demonstrated that a greater or less price would be fair:

Now, Therefore, This Agreement Witnesseth that the parties hereto, in consideration of the sum of one dollar, by each to the other in hand this day paid, the receipt of which is hereby acknowledged, agree each with the other as follows, to wit:

1st. Equitable agrees to pay West Virginia at the rate of twenty-one (21) cents per 1,000 cubic feet for all gas delivered to it on and after September 1st, 1918, under the said contract of July 31st, 1914.

2nd. The said rate of payment shall continue in force until modified by the parties hereto, by an agreement in writing.

3rd. Equitable shall have the privilege, if it so desires, from time to time, of paying its monthly bills by trade acceptances running sixty days, and thereupon one per cent shall be added to the invoice price in lieu of interest.

4th. Except as herein modified, all the terms and conditions of the agreement or contract of July 31st, 1914 shall be and remain in full force and effect.

266 & 267 5th. All the terms and conditions hereof shall extend to and be binding upon the successors and assigns of the parties hereto.

In Witness Whereof, the parties hereto have caused their respective corporate seals to be hereto affixed, and duly attested, the day and year first above written.

[SEAL.]

PITTSBURGH & WEST VIRGINIA GAS  
COMPANY,  
By CARROLL MILLER,  
*Vice President.*

Attest:

W. B. CARSON,  
*Secretary.*

[SEAL.]

EQUITABLE GAS COMPANY,  
By J. H. PEW,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

A true copy.

E. W. WASHABAUGH,  
*Asst. Secretary.*

July 8th, 1918.

(Here follow reproductions of West Virginia Exhibits 7-32, inclusive, marked pages 268-450, inclusive.)



## MONTHLY REPORT OF GAS PRODUCTION OF THE

(NAME OF UTILITY AND PLACE OF BUSINESS)

## TO THE PUBLIC SERVICE COMMISSION OF WEST VIRGINIA:

FOR THE MONTH OF \_\_\_\_\_

GAS CONSUMED		ACTIVE INDUSTRIAL CONSUMERS	ACTIVE DOMESTIC CONSUMERS	TOTAL METERS IN USE	NO. OF THOUSAND CU. FT. GAS	TOTAL
1. Cities and towns						
2. Field and Main Lines						
3. SOLD TO OTHER UTILITIES		LOCATION OF MEASURING STATION	KIND AND SIZE OF METERS			
Gas Exported to other States						
Total Gas Sold, Distributed and Exported						
4. GAS PURCHASED		NO. OF WELLS USED	MEASURING STATION NUMBER	KIND AND SIZE OF METERS		
Gas Imported from other States						
Total Gas Purchased from Producers, Utilities and Imported						
5. GAS PRODUCED BY UTILITY		NO. OF WELLS USED				
In West Virginia						
Total Gas Produced, Purchased and Imported						

(Show the amount of gas in THOUSAND cubic feet—not cubic feet.)

## Monthly Trans. Rep. to P. Ser. Com. W.Va. Ex. 8.

(Name of Company)(Address)REPORT OF TRANSPORTATION INTO AND OUT OF THE STATE  
OF WEST VIRGINIA DURING THE MONTH OF        192  .

TO THE PUBLIC SERVICE COMMISSION OF WEST VIRGINIA

Gas Transported Out of the State

Line	Diameter	Location of Measuring Station	Kind & Size of Meters	Number of M Cubic Ft. of Gas	TOTAL
Total Gas Transported Out of the State					

Gas Transported Into the State

Line	Diameter	Location of Measuring Station	Kind & Size of Meters	Number of M Cubic Ft. of Gas	TOTAL
Total Gas Transported Into the State					269



ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 1-U.

**Public Utility:**

A part of the report of the Hope Natural Gas Company.

1. Name of company making this report Hope Natural Gas Company
2. Nature of company, whether person or persons, association or corporation Corporation
3. Organized under the laws of what state West Virginia
4. Location of Principal Office 424 Sixth Avenue, Pittsburgh, Pa.
5. Location of Principal Place of Business in West Virginia Clarksburg, W. Va.
6. Name of President and his address in full A. C. Bedford  
26 Broadway, New York.
7. Name of Secretary and his address in full Christy Payne  
424 Sixth Avenue, Pittsburgh, Pa.
8. Name of General Manager and his address in full T. O. Sullivan  
424 Sixth Avenue, Pittsburgh, Pa.
9. Name of Chief Officer or Managing Agent in W. Va., and his address in full J. J. Ryan  
General Sup't Clarksburg, W. Va.
10. Name of Tax Agent and his address in full Christy Payne  
424 Sixth Avenue, Pittsburgh, Pa.
11. Name and full address of officer to whom correspondence regarding this report should be addressed  
Christy Payne, Secretary 424 Sixth Ave., Pittsburgh, Pa.  
(Name) (Title) (Address)
12. Date of annual meeting of stockholders Second Tuesday in June
13. The books of the company are closed for the year on what date December 31st.
14. If a consolidated company, name the constituent companies No.

REMARKS.

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED

Form No. 2-U

Public Utility.

A part of the report of Hope Natural Gas Company.

What is the amount of the authorized capital stock? \$ 20,000,000.00  
 How much of the capital stock has been issued? \$ 20,000,000.00  
 How many shares of common stock issued? \$ 200,000.00  
 How many shares of preferred stock issued? \$ 100.00  
 What is the par value, per share, of the common stock? \$  
 What is the par value, per share, of the preferred stock? \$  
 What is the market value, per share, of the common stock? \$  
 What is the market value, per share, of the preferred stock? \$ 167.62  
 If stock is not on the market, at what is it valued per share? Book Value  
 How much of the stock was paid for in cash? \$ 12,000,000.00

What was the consideration for stock issued, but not paid for in cash? \$2,000,000.00 per stock  
in other Companies, and \$6,000,000.00 Stock Dividends

If any part of the stock was not paid for in cash, was the consideration equivalent to cash? Yes  
 How much bonus stock, if any, was issued? None  
 If stock is not worth par, how do you account for the fact that it is not? \$

FUNDED DEBT

FOR WHAT ISSUED	Date of Maturity	Principal Outstanding Dollars	Rate of Interest	Total Market or Actual Value on December 31 Dollars
	<u>None</u>			
<b>Totals</b>				

UNFUNDED DEBT

FOR WHAT INCURRED	Amount
<u>Current Bills. Etc.</u>	<u>1,649,421.57</u>
<b>Totals</b>	

Accounts receivable, December 31, 1912 \$ 3,648,656.19

This company began business or was acquired by the present owners or operators Incorporated  
 (month) September (day) 17th (year) 1913  
 Investment. (By present owners.) \$ 12,000,000.00  
 Amount realized from sale of bonds \$  
 Earnings put into plant \$ 24,672,726.69  
 Total investment or cost (entire plant) \$ 24,672,726.69  
 What is the actual cost of that part of the plant which is situate in West Virginia, including property of all kinds? \$ 24,672,726.69  
 What would be the approximate cost of reproducing the entire plant new? Impossible to answer on account  
 What would be the approximate cost of reproducing that part of the plant which is of 1 owner's own and situated in West Virginia? \$  
 What is the total value of the entire plant, as shown by the books of the Company? \$ 24,672,726.69  
 What is the value of that part of the plant situate in West Virginia, as shown by the books of the Company? \$ 24,672,726.69

In as much as stock owned in a West Virginia Company, whose property is already assessed in that State, is not subject to taxation, we have deducted for assessment purposes from the above answers such stock to a value of \$2,887,510.00, and for stock owned in a corporation whose property is located and assessed in Ohio stock to a par value of \$253,500.00, also 4½ - 4½ and 3-3/4% United States Liberty Loan Bonds to a par value of \$719,350.00.

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 3-U.

**Public Utility.**

A part of the report of Hope Natural Company.

What were the total gross earnings (including all sums earned or charged, whether actually received or not, and its proportion of the gross receipts for business done by it in connection with other companies or firms), of the Company, Co-partnership, Association or Corporation making this report, for the year ending

December 31, 1919 in all States? \$ 20,051,118.31

in West Virginia? \$ 20,051,118.31

How much of the gross earnings resulted from business actually done in West Virginia? \$ 20,051,118.31

How much of the total gross earnings should properly be credited to West Virginia to give the state a fair share of earnings? \$ 20,051,118.31

If this company operates outside of West Virginia, how, or upon what principle were the earnings apportioned, as between this state and other states? ---

What were the total operating and maintenance expenses including interest and taxes in all states? \$ 16,700,423.00

What were the total operating and maintenance expenses including interest and taxes in West Virginia? \$ 16,700,423.00

("Operating and maintenance expenses" is to be understood to mean the actual expenses of operation, and actual expenditures for maintenance. Expenditures for new work (permanent improvements and additions), and dividends are not to be included as operating expenses.)

If this company operates outside of West Virginia, how, or upon what principle were the operating expenses apportioned as between this state and other states? ---

What were the net earnings in West Virginia for the year ending December 31, ? \$ 3,350,695.31

What were the total net earnings, in all states, for the year ending December 31, ? \$ 3,350,695.31

What dividends were declared during the year on common stock?-----per cent; amount \$ None

What dividends were declared during the year on preferred stock?-----per cent; amount \$ "

When were the dividends declared on common stock?-----Preferred Stock? \$ ---

Interest paid on Funded Debt during the year. \$ ---

Interest paid on Unfunded Debt during the year. \$ 17,995.89

(There should appear on each sheet of this report some notation to indicate that the information desired or questions asked have not been overlooked. The word "none" may be used against any particular item or items, where that word expresses the facts. If, for any reason, the exact amount cannot be reported, such an amount as is approximately correct must be reported. In such case, refer by note to "remarks" at the bottom of the sheet on which a division occurs, where a brief explanation should be given why specific data called for cannot be returned *correctly as requested*.)

REMARKS. \*See note on next page

The Company suffered a decline of 12.14% in the Rock Pressure of its gas fields during the year 1919, and has deducted from Earnings a Depletion of \$2,660,619.39 in its return for Federal Income, and Excess Profit Taxes. This depletion is not deducted from the earnings on Page 3 of this return; nor has any account been taken of depletion in any of the statements rendered herein. On Page 4<sup>1</sup>/<sub>2</sub> the amount of this depreciation is shown to be \$1,686,767.92 for the year 1919. This depreciation is applied only to tangible property such as pipe lines and Compressing Stations and not to Leaseholds; and is at conservative rates, for instance:- On Field and Main Lines 5%, on City Plants 3% and somewhat higher rates on automobiles, lessening investment and such property subject to rapid deterioration.

Wish to note also the additions to Investment as shown on Page 5, \$1,994,743.65, and that in spite of such expenditures the amount of gas which the Company was able to produce, purchase and sell, was greatly below 1918 deliveries. The Plant was actually worth less as a Gas Plant at the end of the year than at the beginning, the decline in the supply more than overcoming all the money reinvested. The exhaustion of Gas is constantly lessening the value of the tangible investment beyond mere wear and tear, and in spite of maintenance expenditures, it is not possible to avoid depreciation due to either of these causes.

# Hope Report Ed. Pub. Wks., W. Va. Ex. 9

Form No. 3. U-A.

Gas and Oil.

A part of the report of the Hope Natural Gas Company

THE OPERATING AND MAINTENANCE AND OTHER EXPENSES as shown below should not include expenditures for additions to plant, dividends or any amount for depreciation.

Operating and Maintenance Expenses, Interest, Etc., for the year ending December 31, (Fully itemize.)	Entire Plant	West Va.
General Expenses:		
Salaries and Expenses of General Officers.....	\$ 50,631.94	\$
Salaries and Expenses of General Office Employees.....	324,359.41	
Miscellaneous Expenses of General Office (Office Supplies, Etc.).....	28,462.40	
Lease Expenses.....		
Sick and Disability.....	78,659.74	
Prospecting and Lease Expenses:		
Salaries.....	56,295.12	
Purchase of Leases.....	—	
Rental of Leases.....	836,787.74	
Drilling unproductive Wells, Labor & Loading.....	1,762,319.18	
Production Expenses:		
Superintendent and Salaries.....	68,873.18	
Royalties.....	883,572.14	
Operating Gas Wells & Field Lines.....	926,287.85	
Operating Oil Wells.....	981,875.16	
Repairs to Gas Wells & Field Lines.....	1,971,442.74	
Repairs to Oil Wells.....	—	
Transportation Expenses:		
Superintendence and Salaries.....	3,414.45	
Operating Transportation Lines.....	56,407.00	
Operating Pump Stations.....	1,068,779.77	
Operating Pressure Stations.....	120,237.11	
Repairs of Transportation Lines.....	151,356.19	
Repairs of Pumping Station Equipment.....	617,192.83	
Carried Forward to Form No. 3 U-A.—Continued	10,055,640.85	

PAGE 4.



Hope Report Bd. Pub. Wks., W. Va. Ex. 9

Form No. 3-U.-A.—Continued.

Gas and Oil.

A part of the report of Hope Natural Company.

Brought forward from Form No. 3 U.-A.	\$ 10,055,640.85
<b>Taxes:</b>	
License or Charter Taxes	7,690.00
General Property Taxes	537,780.90
(Federal Excess Profits Tax	150,940.98
(Federal Income Tax	
Other Federal Taxes	47,554.00
(License Fee Public	
Miscellaneous Taxes (Service-6000)	5,005.00
(Special Excess Tax	19,999.21
(War Taxes	8,508.14
Interest and Discount:	
On Bonds and other Funded Debt	
On Unfunded Debt	17,825.50
Gas Purchased	1,979,975.45
Miscellaneous Expense which can not be set out under the above headings:	
(Fully itemize) Do not combine items if by so doing, the total to be entered on any line is in excess of \$5000.)	
(Companies whose total expense for operation and maintenance does not exceed \$5000, may itemize all of such expense hereunder if desired instead of using the form above.)	
<b>City Plant Expenses</b>	109,541.70
Telephone & Telegraph Lines	20,788.73
Cancelled & Surrendered Licenses	18,406.96
Tools and Supplies	20,342.89
Tools Maintaining	272,440.16
Drilling and Operating Out Needs	1,560,194.10
Casoline	1,145,742.34
Casoline Royalties	9,007.89
Coal and Butane	94,507.19
Insurance	45,135.56
Annual dues	2,500.00
Miscellaneous	48,523.65
Profit & Loss Suspense Accts.	341,190.80
<b>Totals</b>	16,700,423.09

What amount, if any, should be charged off for depreciation? \$ 1,588,757.92

What is considered a fair rate of depreciation? See Note Page 34

What reason can be assigned for a charge-off for depreciation, considering the maintenance expense set out above?

See Note Page 34

Hope Report Bd. Pub. Wks., W. Va. Ex. 9

Form No. 4-U

Public Utility

A part of the report of Hope Natural Gas Company.

All expenditures for additions and new work during the year for which this report is made should be reported hereon. If, for any reason, the exact amount expended cannot be reported, such an amount as is approximately correct should be reported. If there have been no such expenditures the word "None" should be written in the columns headed "Entire Plant" and "In West Va."

	PERMANENT IMPROVEMENTS Expenditures for additions and new work for the year ending December 31. <i>Fully itemize, and do not include any part of the amount reported as operating and maintenance expense.</i>	ENTIRE PLANT		IN WEST VA.	
		Dollars	Cts.	Dollars	Cts.
New Lines and Fittings		945,530.06			
" " L.F. & P. Rights of Way		4,557.84			
Pipe and Equipment in Wells		326,126.96			
Buildings		1,592.09			
Telephones & Telegraph Lines		1,400.19			
Gas Compressing Stations		532,631.03			
Measuring Stations		11,159.53			
Leaseholds		73,612.38			
Natural Gas Meters		35,747.57			
Miscellaneous		6,879.14			
Oil Properties		454,557.60			
Drilling & Cleaning Out Tools		228,764.25			
Towing		37,492.41			
Gasoline		507,204.93			
Coal		257,354.22			
West Union Plant		48.24			
Producer Gas Plant		413,843.71			
Butane		3,897.51			
Total		1,894,743.85			



Hope Report Bd. Pub. Wks., W. Va. Ex. 9

Form No. 5.

Gas and Oil:

A part of the report of Hope Natural Gas Company,

This sheet is intended to show the size, length and time in use, only, of the pipe line owned, leased or operated by the company making this report.

A complete statement showing the different sizes of pipe, the number of miles of each size and the average time in use, should be made on this sheet. Nothing else should be reported hereon.

SIZE	MILES IN WEST VIRGINIA	MILES OUTSIDE WEST VIRGINIA	TIME USED
2	517.485	None	14.18
3	416.860		10.45
4	360.387		9.75
4 $\frac{1}{2}$	2.129		20.00
4 $\frac{3}{4}$	.320		14.94
4-7/8	7.969		12.97
5	11.443		6.29
5-3/16	14.395		17.47
5-5/8	5.383		7.09
6	632.727		16.66
6 $\frac{1}{4}$	4.035		5.10
6-5/8	78.598		7.76
8	145.785		6.24
8 $\frac{1}{4}$	9.482		6.27
10	386.624		9.41
12	116.653		10.35
13	.364		9.11
14	8.476		6.55
16	101.914		13.51
18	74.073		7.44
20	62.494		1.00
24	.009		1.00
36	.030		

TOTAL MILEAGE. 3,276.428

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Hope Report Bd. Pub. Wks., W. Va. Ex. 9

Form No. 6

Gas and Oil

A part of the report of Hope Natural Gas Company,

How many acres of undeveloped gas leases are controlled by the Company making this report?		690,093.993
Total in all states		690,093.993
In West Virginia		690,093.993
How many acres of developed gas leases?		
Total in all states		226,419.79
In West Virginia		226,419.79
How many producing gas wells were owned at the beginning of the year?		
Total in all states		3,357
In West Virginia		3,357
How many producing gas wells were drilled during the year?		
Total in all states		154½
In West Virginia		154½
How many "dry" wells were drilled during the year?		
Total in all states		36
In West Virginia		36
How many gas wells were purchased during the year?		
Total in all states	Purchased and Transferred from Oil	20
In West Virginia		20
How many gas wells were abandoned during the year?		
Total in all states		154½
In West Virginia		154½
How many gas wells were sold during the year?		
Total in all states	Sold and Transferred from Gas to Oil	29
In West Virginia		29
How many producing gas wells were owned at the end of the year?		
Total in all states		3348
In West Virginia		3348
How many gas wells were in use at the end of the year?		
Total in all states		Don't know
In West Virginia		"
What was the average rock pressure for the year of the gas wells owned?		
Total in all states		"
In West Virginia		"
What was the total daily capacity at the end of the year of the gas wells owned?		
Total in all states		"
In West Virginia		"
What was the total average daily delivery of gas, from wells owned, for the year?		
Total in all states	Average per well per day	38,704 cu. ft.
In West Virginia	129,834,636 ÷ 3348	38,704 cu. ft.

# Hoye Report Bd. Pub. Wks., W. Va. Ex. 9

Form No. 6-A.

## Gas and Oil

A part of the report of Hape Natural Gas Company.

If this company sells gas directly to consumers, how many does it supply?

Free Gas to Lesors

Total number in all states	1,750
Industrial	745
Domestic	12,326
In West Virginia	1,750
Industrial	745
Domestic	17,326

To what cities and towns is gas supplied? Farmersburg, Sistersville, Huntington, Williams town, Friendly, St. Marys, Pine Grove, Smithfield, Littleton, Fairview & Others.

To what gas companies, if any, is gas sold? See below

How many cubic feet of gas were sold during the year?

Total number in all states

67,945,452.000

To other gas companies

Name of company Olefaburns Ltd. & Hts. Co., Light Fuel & Power Co., Kester Oil & Gas Co., Comet Oil & Gas Co., East Ohio Gas Co., Peoples Nat'l Gas Co., The River Gas Co., Manufacturers Ltd. & Hts. Co., Fayette County Gas Co., Reserve One Co., West Va. Heat & Light Co., Monongahela Valley Traction Gas Co., Godfrey L. Godfrey.

Other Companies

55,203,791 M cu. ft

To industrial consumers

10,329,825 "

To domestic consumers

2,612,616 "

In West Virginia

To other gas companies

Name of company

Other Companies

55,203,791 M cu. ft

To industrial consumers

10,329,825 "

To domestic consumers

2,612,616 "

What was the average price per thousand cubic feet received for gas sold during the year?

Total in all states

1865 cents.

To other gas companies

Name of company

Same as above

Other companies

1870

To industrial consumers

1754

To domestic consumers

2206

In West Virginia

To other gas companies

Name of company

Same as above

Other Companies

1870

To industrial consumers

1754

To domestic consumers

2206

PAGE 8.

# Gas and Oil

A part of the report of Hope Natural Gas Company.

If this company purchases gas, from whom or what company or companies does it purchase? See List Attached

If this company purchases gas, how many cubic feet were purchased during the year?

Total number in all states See List Attached  
From other gas companies. See List Attached  
Name of Companies. See List Attached

From all other sources 20,647,040,000  
Total in West Virginia 20,647,040,000  
From other gas companies. See List Attached  
Name of Companies. See List Attached

If this company purchases gas, what was the average price per thousand cubic feet paid for same? 20,164,183,000

Total in all states 0940 cents  
To other gas companies. See List Attached  
Name of Companies. See List Attached

To other persons or individuals 0940  
In West Virginia See List Attached  
To other gas companies. See List Attached  
Name of Companies. See List Attached

To other persons or individuals 0940  
If this company has pipe lines leading from this state to other states, give the number of such lines, and the size of pipe used and the quantity of gas piped, for the year ending December 31st,

Number.	Size of Pipe.	No. cubic feet piped.	State to which piped.
1	20"	53,570,565 M.	Ohio
2	18"	8,094,124 M.	Indiana
3	16"		
4	12"		

If this company has pipe lines leading from other states to this state, give the number of such lines, and size of pipe used and the quantity of gas piped, for the year ending December 31st,

Number.	Size of Pipe.	No. cubic feet piped.	State from which piped.
None	None	None	None
Does this company pipe gas through its lines for other persons or companies?	None	No	Yes
Does this company own any real estate which is used in connection with its gas business?	None	No	Yes

If so, of what does it consist? Sites for Compressing, Station, Storage, Lots, Warehouse  
Lots, etc.

West Virginia

1920

COMPANIES AND INDIVIDUALS FROM WHOM GAS WAS PURCHASED

Adlia Oil Company	D. C. Loughery.
American Oil & Dev. Co.,	R. T. R. T. Lowmies,
Ann. Pet. & Nat. Gas Corp.,	Maxwell & Jarvis,
Anderson and Company,	J. H. McDermott Oil Co.,
C. A. Barron et al.,	H. E. McGinnis et al.,
Beacon O. & G. Produ. Corp.,	McKinley & Fisher,
Louis Bennett Estate,	W. H. Meservie et al.,
Betts & Braden Company	Middle Is. O. & G. Co.
Blackshere O. & G. Co.	Mill Fork O. & G. Co.
H. P. Boone O. & G. Co.	Mineral Springs Oil Co.
G. I. Bunnell et al.,	R. S. Monroe,
Chas. P. Butler,	A. B. Moore,
Cabin Run & Lynn Camp O. & G. Co.	Myers Stone Oil Co.
Godfrey L. Cabot	Nay & Kinser
Carnegie Nat. Gas Co.,	Neal Oil & Gas Co.
Carr & Bower,	Nina Oil & Gas Co.
Carter Oil Company,	Wm. S. O'Brien, Trustee,
Champion O. & G. Co.	Ohio Valley O. & G. Co.
Clarkburg & Morgantown O. & G. Co.	T. J. Parrish
R. J. & A. B. Collins,	Peoples Natural Gas Co.
Comet Oil & Gas Co.,	Piel & Strohmeyer,
Commonwealth Petroleum Co.,	Phila. Co. of W. Va.
Conservative O. & G. Co.,	Pgh. & W. Va. Gas Co.
Continental O. & G. Co.,	Producers Gas Co.,
C. E. Crislip,	Purinton Oil Co.
Cude Oil Company,	Randolph & Lowther,
J. J. Cummings et al.,	Reserve Gas Company,
Thos. J. Davis	Richer Oil Co.
E. S. Daison et al.,	R. T. Sinehart,
Demo Oil & Gas Co.,	Riverside Eastern O. Co.,
Determan & Gum,	Ruth, Stout & Strong,
Eagle District Gas Co.,	Salem Fork O. & G. Co.
Eastern Petroleum Co.,	Schaffner Brothers,
Edwards & Edmiston,	Shinn Run O. & G. Co.
Empire Gas Co.,	Simpson Creek O. & G. Co.
K. C. Farrow,	South Penn Oil Co.,
Jake Fisher,	Steel & Allman O. & G. Co.
W. H. Fisher et al.,	Morton Stein, Trustee,
Ira Pittro et al.,	Story Run O. & G. Co.
G. & G. Oil Co.,	Strother Bros. & Ward,
Nathan Goff,	R. L. Strother et al.,
Greenwood Oil Co.	W. L. Strothers et al.,
W. Dexter Gribble,	Two Mile Oil Company,
Ira Haught,	The Oil & Gas Co.
Rays & Satterfield,	Wellington Thoms,
Henaghan & Hanlon,	T. P. Townsell et al.,
High Grade Oil Co.,	United Fuel Gas Co.,
Hone Gas Co.,	Vesper Gas Co.,
Horne & Schaffner,	Victoria Oil Co.
Jackson Oil Co.	H. B. Walker, Trustee,
Johnson Oil Co.	J. E. Westfall & F. E. Pritchard,
M. H. King et al	S. M. Whan,
A. E. Lamp et al.,	Clark White,
Liberty Oil & Gas Co.,	W. W. Wilson et al.,
J. T. Locke et al.,	Wiser Oil Co.



## Gas and Oil

A part of the report of Hope Natural Gas Company.

How many acres of undeveloped oil leases are controlled by the company making this report?

Total----- Don't know

In West Virginia-----

12,385.94

How many acres of developed oil leases?

12,385.94

Total-----

In West Virginia-----

323

How many producing oil wells were owned at the beginning of the year?

323

Total-----

In West Virginia-----

Drilled 63

Purchased 14

23

Total-----

In West Virginia-----

Transferred from O. to Oil

Abandoned 3

Sold 5

11

Total-----

In West Virginia-----

Transferred from Oil to Gas

11

How many producing oil wells were owned at the end of the year?

409

Total-----

409

In West Virginia-----

What was the total average daily production of oil for last year?

Total-----

In West Virginia-----

What was the total average daily production of oil for this year?

Total-----

In West Virginia-----

What was the total production of oil for the month of December, this year?

Total-----

In West Virginia-----

What was the total production of oil for the year?

Total-----

In West Virginia-----

What was the average price per barrel received for oil sold during the year?

Total-----

In West Virginia-----

If this company transports oil through its pipe lines for other persons or companies, how many barrels were transported for the year, for such other persons or companies?

Total-----

In West Virginia-----

What was the total number of barrels of oil transported through the pipe lines of this company for the year?

Total-----

In West Virginia-----

What does this company charge for transporting oil through its pipe lines?

Total-----

In West Virginia-----

No

No

No

No

Public Utility

A part of the report of Hope Natural Gas Company

On this sheet and on the following sheets designated "Form No. 8 U.—Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

Condensed Summary of Pages 11-136.  
Valuations fixed by the Board of Public Works are also shown:

District	Acreage of		Miles	Total Value all Property	
	Gas and Oil	of Gas of Pipe		Returned	Assessed by
	Territory	Mails	Lines	by Company	Bd. of Pub. Works
<b>MARSH COUNTY</b>					
Elk	15,900.15	6	11.57	\$ 51,430.39	\$ 51,350.00
Phillippi	6,197.50	-	-	2,788.88	2,788.00
Plasencia	25,586.23	-	-	11,513.00	11,514.00
Union	18,754.02	-	2.45	21,359.58	21,360.00
	64,437.88	6	14.20	\$ 87,092.47	\$ 86,992.00
<b>MARTIN COUNTY</b>					
Marsh	15,978.55	-	1.35	24,321.45	24,221.00
Otter	7,851.80	-	-	7,156.55	7,156.00
Town of Burnsville	-	-	-	7,953.04	7,953.00
Salt Lick	15,523.00	40	22.85	243,385.25	302,385.00
	49,453.35	40	21.21	\$ 284,726.10	\$ 350,725.00
<b>MEIGS COUNTY</b>					
Town of Colliens	5.00	-	2.01	\$ 5,662.67	\$ 5,663.00
Cross Creek	1,842.00	9	2.51	26,065.35	27,515.00
	1,847.00	9	11.52	\$ 41,728.02	\$ 63,178.00
<b>SALFORD COUNTY</b>					
Town of Grantsville	-	-	-	\$102,799.09	\$102,799.00
Center	15,297.35	10	19.87	515,579.10	533,729.00
Lee	23,949.20	1	5.55	35,282.73	38,588.00
Sheridan	13,318.75	7½	4.42	26,331.39	38,706.00
Sherman	38,090.68	22	44.24	325,862.48	431,582.00
Washington	26,271.78	19	21.44	137,356.51	173,656.00
	124,927.79	59½	97.32	\$1143,331.10	\$1319,055.00
<b>GLAY COUNTY</b>					
Buffalo	4,854.00	-	-	\$ 18,719.77	\$ 18,720.00
Otter	2,415.00	-	-	2,173.50	2,173.00
	7,269.00	-	-	\$ 20,893.27	\$ 20,893.00

Repe Report Bd. Pub. Wks., W. Va. Ex. 9

FORM NO. 8—U CONTINUED

PUBLIC UTILITY

A part of report of ----- Repe Natural Gas ----- Company.

MORGENTHAU COUNTY

Central	5,750.61	29	57.50	\$357,644.97	\$459,945.00
Cove	5,012.00	18	25.06	147,082.74	180,005.00
Grant	14,586.77	121	69.65	494,715.16	697,665.00
Greenbrier	6,682.06	91	64.72	671,135.58	892,236.00
Independent	-	-	-	37,636.62	37,637.00
McColland	14,014.23	108	85.56	575,080.02	759,890.00
New Milton	10,569.00	15	11.46	133,445.42	175,545.00
South West	755.00	5	7.55	61,896.16	70,246.00
Town of West Union	-	-	4.38	38,576.92	38,577.00
West Union	6,441.24	62	50.82	480,672.20	596,372.00
	66,010.15	449	367.77	\$2976,792.61	\$3877,695.00

QUINCY COUNTY

Centar	34,567.91	14	9.67	\$ 86,012.67	\$ 110,765.00
DeKalb	24,793.01	40	25.08	199,663.62	267,944.00
Town of Laypells	-	-	1.02	308.94	309.00
Glenville	13,305.68	13	16.94	135,216.79	156,667.00
Troy	22,803.80	402	39.08	283,132.63	372,893.00
	95,430.10	1072	93.64	\$703,334.65	\$ 909,586.00

KANAWHA COUNTY

Jefferson	1.29	-	-	\$ 500.00	\$ 500.00
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MARRIAGE COUNTY

Clark	2,532.62	40	37.37	\$460,754.89	\$ 555,005.00
Clay	11,912.23	82	60.42	439,315.15	590,215.00
Town of Clayburg	-	-	-	65,608.87	68,609.00
Coal	4,373.75	60	36.52	811,148.38	916,748.00
Town of Lamberport	-	-	-	93,285.90	93,286.00
Eagle	17,509.92	227	116.47	938,016.96	1324,117.00
Elk	21,991.75	54	28.69	224,001.58	313,102.00
Grant	19,011.52	191	114.06	953,267.44	1276,017.00
Sardis	12,079.91	142	97.23	895,935.75	1146,736.00
Town of Bridgeport	-	-	-	45,959.68	45,960.00
Simpson	19,471.71	57	35.74	253,530.96	350,891.00
Town of Salen	-	-	-	29,187.67	29,188.00
Ten Mile	7,811.08	46	61.56	581,721.23	627,459.00
Union	14,353.12	160	105.67	1298,972.72	1619,072.00
	130,647.68	1059	693.93	\$7035,707.38	\$8918,340.00

LEWIS COUNTY

Collins Settlement	13,865.47	13	20.91	\$ 79,871.10	\$ 101,821.00
Court House	18,630.87	134	116.35	1009,175.58	\$1246,774.00
Town of Weston	-	-	-	64,330.92	64,331.00
Freemans Creek	17,672.49	148	116.45	1125,254.10	11399,154.00
Hackers Creek	24,149.51	146	91.97	894,064.71	1135,911.00
Skin Creek	17,122.00	3	10.12	58,642.03	63,522.00
	91,438.54	444	355.97	\$3233,366.41	\$4013,103.00



Hope Report Bd. Pub. Wks. W. Va. Ex. 9

FORM NO. 8-U CONTINUED

PUBLIC UTILITY

A part of report of ----- Hope Natural Gas ----- Company.

HARDEN COUNTY				
Fairmont	1,707.00	6	5.31	\$ 25,460.61 \$ 35,561.00
Grant	4,212.00	11	5.33	32,062.23 30,213.00
Lincoln	12,737.76	154	141.14	1270,904.67 1524,006.00
City of Huntington	-	-	13.90	210,392.09 210,393.00
Huntington	9,955.17	84	130.33	499,320.04 672,570.00
Town of Fairview	-	-	5.54	88,309.23 88,309.00
Par Pew	5,344.75	88	45.17	249,769.78 340,619.00
Union	6,036.25	-	-	3,018.12 3,018.00
Winfield	7,648.25	3	1.72	22,921.53 26,292.00
	47,639.18	312	349.34	\$2402,228.16 \$2950,679.00

MARSHALL COUNTY				
Clay	-	-	13.61	\$ 106,971.96 \$ 106,972.00
Frankline	1.43	-	24.41	235,248.07 235,248.00
Liberty	1,628.00	4	8.36	44,276.96 50,877.00
Mende	8,255.43	40	44.23	265,028.10 332,748.00
	9,684.86	44	93.86	\$ 651,596.09 \$ 726,945.00

MORGAN COUNTY				
Battle	9,315.33	56	75.13	\$ 411,455.58 \$ 535,308.00
Oss	479.00	3	7.94	32,211.98 37,161.00
Clay	4,926.72	41½	54.30	277,968.42 374,493.00
Clinton	3,389.00	-	-	6,010.20 6,010.00
Grant	6,274.80	28	17.77	104,910.82 152,761.00
Morgan	3,050.00	-	-	5,490.00 5,490.00
Union	14,000.00	-	-	32,267.20 32,267.00
	41,284.55	136½	155.14	\$ 870,313.71 \$1143,386.00

NECHOLAS COUNTY				
Hamilton	245.00	-	-	\$ 220.80 \$ 221.00

PLASANTS COUNTY				
Grant-	866.38	-	5.05	\$ 7,226.31 \$ 7,226.00
Jefferson	3,873.50	22	34.96	198,982.86 240,233.00
Lafayette	50.00	1	2.20	2,759.66 4,410.00
McKinley	-	-	-	141.70 142.00
Town of St. Marys	-	-	6.41	10,795.79 10,796.00
Washington	-	-	7.10	7,033.90 7,034.00
Union	54.00	-	2.19	198.37 109.00
	4,843.88	23	56.21	\$ 227,046.82 \$ 269,949.00

RITCHIE COUNTY				
Town of Pennington	-	-	-	\$ 211.01 \$ 211.00
" " Ellenboro	-	-	-	9.12 9.00
Clay	7,234.53	36	52.49	284,347.25 363,547.00
Grant-	21,895.38	25	70.06	445,549.16 506,599.00
Murphy	37,903.70	116	123.35	921,270.57 1151,271.00
Union	22,988.50	21	26.29	283,900.44 323,800.00
	91,012.11	198	272.29	\$1935,267.25 \$2345,137.00

ROANE COUNTY				
Bathfield	6.00	-	-	\$ 300.00 \$ 300.00
Spencer	794.00	-	-	397.00 397.00
Reedy	972.00	-	-	483.00 483.00
	1,772.00	-	-	\$ 1,183.00 \$ 1,183.00

## PUBLIC UTILITY

A part of report of ----- Hepe Water &amp; Gas ----- Company.

TAYLOR COUNTY		6.76	\$ 58,743.44	\$ 76,344.00
Boothe Creek	10	-	-	-
Court House	-	-	7,090.80	7,091.00
Flemington	2	-	11,325.50	15,226.00
	12	6.76	\$ 77,759.94	\$ 97,561.00
TAYLOR COUNTY		29.99	\$ 263,738.11	\$ 338,118.00
Centerville	40	37.48	106,767.03	138,457.00
Ellsworth	17	70	4,488.11	4,488.00
Town of Eden City	-	12.76	25,766.80	25,767.00
" " Sisterville	-	24.37	47,269.34	53,869.00
Lincoln	4	73.84	699,864.43	803,269.00
McElroy	61	-	3,245.00	4,893.00
Meda	1	-	1,996.23	1,996.00
Town of Friendly	-	4.04	3,337.17	4,287.00
Union	1	184.87	\$1159,482.82	\$1990,886.00
	124			
WESCHUR COUNTY		6.73	\$ 7,531.49	\$ 10,831.00
Banks	2	-	691.80	692.00
Buckhamon	-	2.96	1,967.29	1,967.00
Menda	-	-	4,251.50	4,252.00
Warren	2	9.66	\$ 15,161.76	\$ 16,462.00
WENZEL COUNTY		.68	\$ 437.73	\$ 438.00
Town of Wileyville	-	40.11	278,923.40	321,823.00
Center	23	16.52	68,071.34	102,721.00
Church	19	2.36	49,414.98	49,415.00
Town of Littleton	-	17.28	104,128.69	118,979.00
Clay	7	5.03	58,374.77	58,275.00
Town of Smithfield	-	2.63	4,146.37	4,146.00
" " Pine Grove	-	178.22	2895,053.22	3164,635.00
Grant	163	102.88	686,953.23	833,153.00
Green	97	8.16	15,193.17	15,193.00
Town of Eden City	-	14.02	164,536.40	164,538.00
Magolia	-	32.43	248,427.40	296,477.00
Prector	12	437.33	\$4691,562.67	\$6226,811.00
	311			
WERT COUNTY		2.09	\$ 26,379.38	\$ 36,179.00
Burning Springs	5	-	3,709.56	3,710.00
Clay	-	-	4,301.70	4,301.00
Elizabeth	-	-	1,056.00	1,056.00
Newart	-	-	783.50	784.00
Reedy	-	-	9,550.61	9,551.00
Spring Creek	-	-	6,210.82	6,211.00
Tucker	-	2.09	\$ 52,590.56	\$ 62,492.00
	5			
WOOD COUNTY		9.74	\$ 8,543.83	\$ 8,504.00
Clay	-	-	778.50	779.00
Harris	-	6.52	6,442.12	6,442.00
Laback	-	69.41	169,836.93	169,837.00
Town of Parkersburg	-	31.17	50,180.29	50,180.00
Parkersburg	-	-	1,285.01	1,285.00
Slate	-	-	6,237.26	6,237.00
Steele	-	8.55	132,951.10	132,951.00
Tygart	-	26.71	82,608.15	82,608.00
Union	-	1.37	16,399.52	16,399.00
Walker	-	13.03	24,732.07	24,732.00
Town of Williamson	-	24.03	47,285.92	47,285.00
Williams	-	190.41	\$ 547,300.49	\$ 547,300.00
	53552	3401.43	\$28,156,196.80	\$34,350,000.00
Totals.....	1,001,422.83			

## Public Utility.

A part of the report of the Hope Natural Gas Company.

West Va. EXPLANATORY REMARKS 1920

The Unit prices used on pipe and materials are approximately those approved some years ago by Tax Commissioners Townsend and Dillon; the same prices substantially have been used each year since that time, and have formed a fair guide together with a relatively equal rate on leaseholds for several years for the division of taxes if not for the ascertainment of true and actual value of unit prices in a spring concern.

State of Pennsylvania } ss  
County of Allegheny }

I, THE UNDERSIGNED, R. D. Beardsley,  
Name of Officer.

Treasurer

Official Title.

of the Hope Natural Gas Company Company, on my oath say that the return as shown on this and the foregoing pages of this report, has been prepared from the original books, papers and records of said Company; that I have carefully examined the same, and declare the same and each page thereof to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth, and that all property has been reported at its *True and Actual Value*, to the best of my knowledge, information and belief; the words "true and actual value" being understood by me to mean that price for which the before-mentioned property would sell if voluntarily offered for sale upon such terms as such property is usually sold and not the price which might be realized if said property was sold at a forced sale, and that there have been no expenditures for "additions and new work" either within or without the State of West Virginia except as shown on Form No. 4 U. of this report; and that the foregoing return includes all property owned, leased, or operated in the State of West Virginia by said Company during the period for which said return is made.

R. D. Beardsley,

Treasurer

Official Title.

SUBSCRIBED AND SWORN TO before me  
this 26th day of March 1920

G. A. Kinley,My Commission Expires March 25, 1921.

Notary Public.

(The return must be verified on the oath of the President, Vice-President, Secretary or Principal Accounting Officer.)

PAGE -----

Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 1-U.

Public Utility:

A part of the report of the-----Pittsburgh & West Virginia Gas-----Company.

1. Name of company making this report-----Pittsburgh and West Virginia Gas Company.
2. Nature of company, whether person or persons, association or corporation-----Corporation
3. Organized under the laws of what state-----West Virginia
4. Location of Principal Office-----435 Sixth Avenue, Pittsburgh, Penna.
5. Location of Principal Place of Business in West Virginia Union National Bank Bldg.,  
Clarksburg, W. Va.
6. Name of President and his address in full-----A. W. Thompson.  
435 Sixth Avenue, Pittsburgh, Penna.
7. Name of Secretary and his address in full-----W. B. Carson.  
435 Sixth Avenue, Pittsburgh, Penna.
8. Name of General Manager and his address in full-----W. L. McElroy.  
435 Sixth Avenue, Pittsburgh, Penna.
9. Name of Chief Officer or Managing Agent in W. Va., and his address in full-----  
John F. McNary, Clarksburg, West Virginia.
10. Name of Tax Agent and his address in full-----None
11. Name and full address of officer to whom correspondence regarding this report should be addressed  
W. E. McElroy,-----General Manager-----Pittsburgh, Penna.  
(Name) (Title) (Address)
12. Date of annual meeting of stockholders-----Third Wednesday in June,
13. The books of the company are closed for the year on what date-----September 31st.
14. If a consolidated company, name the constituent companies-----Not consolidated.

REMARKS.

**Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10.**

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 2-U

**Public Utility.**

A part of the report of Pittsburgh and West Virginia Gas Company.

What is the amount of the authorized capital stock? \$8,000,000.00  
 How much of the capital stock has been issued? \$6,000,000.00  
 How many shares of common stock issued? \$27,500.  
 How many shares of preferred stock issued? \$22,500.  
 What is the par value, per share, of the common stock? \$100.00  
 What is the par value, per share, of the preferred stock? \$100.00  
 What is the market value, per share, of the common stock? \$100.00  
 What is the market value, per share, of the preferred stock? \$100.00  
 If stock is not on the market, at what is it valued per share? 100.00  
 How much of the stock was paid for in cash? \$3,500,000.00

What was the consideration for stock issued, but not paid for in cash? Property

If any part of the stock was not paid for in cash, was the consideration equivalent to cash? Yes

How much bonus stock, if any, was issued? None

If stock is not worth par, how do you account for the fact that it is not?

**FUNDED DEBT**

FOR WHAT ISSUED	Date of Maturity	Principal Outstanding Dollars	Rate of Interest	Total Market or Actual Value on December 31 Dollars
Monongahela Natural Gas Co.	\$150,000 each Oct.	750,000	6%	750,000
Capital Stock,	1st 1919 to 1923	750,000		750,000
Totals				

**UNFUNDED DEBT**

FOR WHAT INCURRED	Amount
Plant Investment & Working Capital Demand	2,350,000.00 6% 2,350,000.00
Loan from Philadelphia Co.	
Totals	2,350,000.00 2,350,000.00

Accounts receivable, December 31, 1919 \$2,477,921.81.

This company ~~Monongahela~~ or was acquired by the present owners ~~Monongahela~~ Philadelphia Co.  
 (month) January (day) First (year) 1906

Investment. (By present owners.)  
 Stock issued (money value) \$5,700,000.00  
 Amount realized from sale of bonds \$1,500,000.00  
 Earnings put into plant \$1,386,675.68

Total investment or cost (entire plant) \$9,586,675.68  
 What is the actual cost of that part of the plant which is situate in West Virginia, including property of all kinds? \$

What would be the approximate cost of reproducing the entire plant new? Do not know  
 What would be the approximate cost of reproducing that part of the plant which is situated in West Virginia? \$

What is the total value of the entire plant, as shown by the books of the Company? \$8,586,675.68  
 What is the value of that part of the plant situate in West Virginia, as shown by the books of the Company? \$7,036,675.68



Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 2-U.

Public Utility.

A part of the report of Pittsburgh and West Virginia Gas Company.

What were the total gross earnings (including all sums earned or charged, whether actually received or not, and its proportion of the gross receipts for business done by it in connection with other companies or firms), of the Company, Co-partnership, Association or Corporation making this report, for the year ending

December 31, 1919 in all States? \$ 6,216,430.54

in West Virginia? \$ 6,216,430.54

How much of the gross earnings resulted from business actually done in West Virginia? \$ 6,216,430.54

How much of the total gross earnings should properly be credited to West Virginia to give the state a fair share of earnings? \$ 6,216,430.54

If this company operates outside of West Virginia, how, or upon what principle were the earnings apportioned, as between this state and other states?

Does not operate outside of West Virginia

What were the total operating and maintenance expenses including interest and taxes in all states? \$ 2,844,354.54

What were the total operating and maintenance expenses including interest and taxes in West Virginia? \$ 2,844,354.54

("Operating and maintenance expenses" is to be understood to mean the actual expenses of operation, and actual expenditures for maintenance. Expenditures for new work (permanent improvements and additions), and dividends are not to be included as operating expenses.)

If this company operates outside of West Virginia, how, or upon what principle were the operating expenses apportioned as between this state and other states?

Does not operate outside of West Virginia

What were the net earnings in West Virginia for the year ending December 31, 1919? \$ 2,372,075.90

What were the total net earnings, in all states, for the year ending December 31, 1919? \$ 2,372,075.90

What dividends were declared during the year on common stock? 2 per cent; amount \$ 200,000.00

What dividends were declared during the year on preferred stock? 6 per cent; amount \$ 155,000.00  
Apr 1st, 1919

When were the dividends declared on common stock? Dec. 18, 1919 Preferred Stock? Oct. 1st, 1919

Interest paid on Funded Debt during the year. \$ 6,830.36

Interest paid on Unfunded Debt during the year. \$ 156,942.12

(There should appear on each sheet of this report some notation to indicate that the information desired or questions asked have not been overlooked. The word "none" may be used against any particular item or items, where that word expresses the facts. If, for any reason, the exact amount cannot be reported, such an amount as is approximately correct must be reported. The exact amount should be reported at the bottom of the sheet on which a division occurs, where a brief explanation should be given why specific data called for cannot be returned exactly as requested.)

REMARKS.

**Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10.**

3.U-A  
Form No. 604-Standard

**Public Utility**  
A part of report of Pittsburgh and West Virginia Gas Company

	Entire Plant	West Va.
<b>PROSPECTING AND LEASE EXPENSES:</b>		
Purchase of Leases	\$ 26,639.16	
Rent on Gas Leases,	207,447.77	
Drilling Unproductive Wells,	221,137.81	
Miscellaneous,	<u>5,066.88</u>	
	<b>\$460,291.62</b>	<b>\$460,291.62</b>
<b>PRODUCTION EXPENSES:</b>		
Superintendence,	36,243.03	
Gas Wells Royalties,	345,132.69	
Operating Gas Wells,	115,065.56	
Repairs of Gas Wells,	365,868.22	
Drilling Gas Wells,	443,361.33	
Repairs of Buildings and Fixtures used in Production,	<u>1,844.49</u>	
	<b>1,307,615.31</b>	<b>1,307,615.31</b>
<b>GAS PURCHASED:</b>		
	814,523.87	814,523.87
<b>TRANSPORTATION EXPENSES:</b>		
Superintendence,	33,976.74	
Operating Transportation Lines	57,826.51	
" Compressing Stations,	191,760.23	
" Pressure Stations,	36,751.06	
Labor Laying Well Connecting Lines,	80,799.39	
Repairs of Transportation Lines,	78,663.62	
Repairs of Compressing Station Equipment	68,904.72	
Repairs of Compressing Station Buildings and Fixtures,	24,544.23	
Repairs of Miscellaneous Buildings and Fixtures,	3,712.81	
Miscellaneous Maintenance Expenses,	<u>1,511.98</u>	
	<b>578,451.29</b>	<b>578,451.29</b>
<b>DISTRIBUTION EXPENSES:</b>		
Superintendence,	2,737.06	
Operating Lines,	1,782.26	
Operating Meters, Regulators and Services,	27,474.50	
Operating Pressure Stations,	1,619.01	
Repairs of Distribution Lines and Services	9,730.54	
Repairs of Meters,	5,925.65	
Repairs of Regulators,	54.86	
Repairs of Buildings,	81.02	
Miscellaneous Maintenance Expenses,	<u>6.23</u>	
	<b>49,474.13</b>	<b>49,474.13</b>
<b>COMMERCIAL EXPENSES:</b>		
Salaries and Expenses,	832.06	
Billing and Collection,	14,307.55	
Stationery, Printing and Postage,	880.70	
Transportation of Employees,	1,260.27	
Advertising	50.00	
Miscellaneous Expenses,	<u>892.92</u>	
	<b>18,223.50</b>	<b>18,223.50</b>
<b>GENERAL EXPENSES:</b>		
Salaries and Expenses of General Officers,	20,918.51	
Salaries and Expenses of General Office Clerks,	39,951.41	
General Office Supplies and Expenses	12,375.58	
General Legal Expenses,	4,905.82	
Pensions and Gratuities,	6,577.80	
Miscellaneous General Expenses,	4,103.03	
Injuries and Damages,	3,632.43	
Insurance,	3,971.65	
Stationery, Printing and Postage,	4,999.38	

## Form No. 3-U.—A.—Continued.

A part of the report of **Pittsburgh and West Virginia Gas**..... **Company.**

**Taxes:**

**Cigs Purchased:**

(Companies whose total expense for operation and maintenance does not exceed \$5000, may itemize all of such expense hereunder if desired instead of using the form above.)

1928.8

stations, \$41,335.06; Measuring Stations, \$612.26; Telephone Lines \$3,339.97.



**Pgh & W. Va. Report Ed. Pub. Wks., W. Va. Ex. 10.**

Form No. 4-U

**Public Utility**

A part of the report of Pittsburgh and West Virginia Gas Company.

All expenditures for additions and new work during the year for which this report is made should be reported hereon. If, for any reason, the exact amount expended cannot be reported, such an amount as is approximately correct should be reported. If there have been no such expenditures the word "None" should be written in the columns headed "Entire Plant" and "In West Va."

	ENTIRE PLANT		IN WEST VA.	
	Dollars	Cts.	Dollars	Cts.
<b>PERMANENT IMPROVEMENTS</b>				
Expenditures for additions and new work for the year ending December 31.				
<i>Fully itemize, and do not include any part of the amount reported as operating and maintenance expense.</i>				
<b>Gas Wells Purchased</b>	3,729.72		3,729.72	
<b>Gas Wells Drilled,</b>	209,590.81		209,590.81	
<b>Transportation Pipe Lines,</b>	48,024.91		48,024.91	
<b>Distribution Pipe Lines,</b>	448.62		448.62	
<b>Well Connecting Lines,</b>	82,708.81		82,708.81	
<b>Station Pipe Lines,</b>	16,435.42		16,435.42	
<b>Measuring Stations,</b>	7,517.90		7,517.90	
<b>Meters,</b>	8,271.49		8,271.49	
<b>Regulators,</b>	2,059.61		2,059.61	
<b>Telephone Lines,</b>	11,029.57		11,029.57	
<b>Real Estate,</b>	1,664.50		1,664.50	
<b>Buildings</b>	1,299.38		1,299.38	
<b>Compressing Station,</b>	194,992.91		194,992.91	
<b>Total</b>	587,773.65		587,773.65	

Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10

Form No. 5.

Gas and Oil:

A part of the report of-----Pittsburgh and West Virginia Gas-----Company,

This sheet is intended to show the size, length and time in use, only, of the pipe line owned, leased or operated by the company making this report.

A complete statement showing the different sizes of pipe, the number of miles of each size and the average time in use, should be made on this sheet. Nothing else should be reported hereon.

SIZE	MILES IN WEST VIRGINIA	MILES OUTSIDE WEST VIRGINIA	TIME USED
1"	1.14	None	11 to 21 years
2"	57.05	"	"
3"	55.08	"	"
4"	109.59	"	"
4-7/8"	.54	"	"
5-3/16"	15.86	"	"
6"	355.24	"	"
6-5/8"	18.86	"	"
7-5/8"	2.37	"	"
8"	127.74	"	"
8-1/4"	13.20	"	"
10"	152.35	"	"
12"	115.58	"	"
16"	186.31	"	"

TOTAL MILEAGE. 1,211.12

PAGE 6

**Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10.**

Form No. 6

**Gas and Oil**

A part of the report of Pittsburgh and West Virginia Gas Company,

How many acres of undeveloped gas leases are controlled by the Company making this report?	
Total in all states	209,127 3/4
In West Virginia	209,127 3/4
How many acres of developed gas leases?	
Total in all states	108,198 1/2
In West Virginia	108,198 1/2
How many producing gas wells were owned at the beginning of the year?	
Total in all states	1,217
In West Virginia	1,217
How many producing gas wells were drilled during the year?	
Total in all states	67
In West Virginia	67
How many "dry" wells were drilled during the year?	
Total in all states	29
In West Virginia	29
How many gas wells were purchased during the year?	
Total in all states	5
In West Virginia	5
How many gas wells were abandoned during the year?	
Total in all states	50
In West Virginia	50
How many gas wells were sold during the year?	
Total in all states	1
In West Virginia	1
How many producing gas wells were owned at the end of the year?	
Total in all states	1,238
In West Virginia	1,238
How many gas wells were in use at the end of the year?	
Total in all states	1,200
In West Virginia	1,200
What was the average rock pressure for the year of the gas wells owned?	
Total in all states	186
In West Virginia	186
What was the total daily capacity at the end of the year of the gas wells owned?	
Total in all states	
In West Virginia	
What was the total average daily delivery of gas, from wells owned, for the year?	
Total in all states	
In West Virginia	

Form No. 6-A.

## Gas and Oil

A part of the report of-----Pittsburgh and West Virginia Gas-----Company.

If this company sells gas directly to consumers, how many does it supply?

Total number in all states

Industrial ----- 86

4,250

Domestic -----

In West Virginia

Industrial ----- 86

Domestic ----- 4,250

To what cities and towns is gas supplied? ----- Same as last year.To what gas companies, if any, is gas sold? Equitable Gas Co., Hope Natural Gas Co. and  
Glenville Natural Gas Company.

How many cubic feet of gas were sold during the year?

Total number in all states

To other gas companies ----- 26,871,561,100

Name of company Equitable Gas Company ----- 23,193,406,000Hope Natural Gas Company ----- 500,400,000Monongahela Valley Traction Co. ----- 253,633,000Glenville Natural Gas Company ----- 1,423,000Drillers. (Estimated) ----- 22,687,500

To industrial consumers ----- 2,545,661,500

To domestic consumers ----- 554,350,100

In West Virginia

To other gas companies

Name of company Equitable Gas Company ----- 23,193,406,000Hope Natural Gas Company ----- 500,400,000Monongahela Valley Traction Co. ----- 253,633,000Glenville Natural Gas Co. ----- 1,423,000Drillers. (Estimated) ----- 22,687,500

To industrial consumers ----- 2,545,611,500

To domestic consumers ----- 554,350,100

What was the average price per thousand cubic feet received for gas sold during the year?

Total in all states ----- 21.484 cents

To other gas companies

Name of company Equitable Gas Company ----- 21.-----Hope Natural Gas Company ----- 8.74.-----Monongahela Valley Traction Company ----- 23.-----Glenville Natural Gas Company ----- 10.-----Drillers. (Estimated) ----- 10.-----

-----

-----

-----

To industrial consumers ----- 26.043

To domestic consumers ----- 27.533

In West Virginia

To other gas companies

Name of company Equitable Gas Company ----- 21.-----Hope Natural Gas Company ----- 8.74.-----Monongahela Valley Traction Company ----- 23.-----Glenville Natural Gas Company ----- 10.-----Drillers. (Estimated) ----- 10.-----

-----

-----

-----

To industrial consumers ----- 26.043

To domestic consumers ----- 27.533

**Pgh & W. Va. Report B4. Pub. Wks., W. Va. Ex. 10.**

Form No. 7

**Gas and Oil**

A part of the report of Pittsburgh and West Virginia Gas Company.

How many acres of undeveloped oil leases are controlled by the company making this report?

Total The Company owns no leasehold oil or oil rights.

How many acres of developed oil leases?

In West Virginia

Total

How many producing oil wells were owned at the beginning of the year?

In West Virginia

Total

How many producing oil wells were drilled during the year?

In West Virginia

Total

How many oil wells were abandoned during the year?

In West Virginia

Total

How many producing oil wells were owned at the end of the year?

In West Virginia

Total

What was the total average daily production of oil for last year?

In West Virginia

Total

What was the total average daily production of oil for this year?

In West Virginia

Total

What was the total production of oil for the month of December, this year?

In West Virginia

Total

What was the total production of oil for the year?

In West Virginia

Total

What was the average price per barrel received for oil sold during the year?

In West Virginia

Total

If this company transports oil through its pipe lines for other persons or companies, how many barrels were transported for the year, for such other persons or companies?

In West Virginia

Total

What was the total number of barrels of oil transported through the pipe lines of this company for the year?

In West Virginia

Total

What does this company charge for transporting oil through its pipe lines?

In West Virginia

PAGE 10.



Gas Sold to Equitable Gas Company.	\$4,870,615.26
Hope Natural Gas Company.	26,272.91
Monongahela Valley Traction Co.	58,335.59
Glenville Natural Gas Company.	142.30
Domestic Consumers.	152,528.51
Industrial Consumers.	662,959.99
Drillers.	2,268.75
Rental from Real Estate and Buildings.	2,036.95
Miscellaneous Operating Revenue.	75.95
Interest and Discount.	40,347.69
Dividends on Stocks Owned.	400,000.00
Miscellaneous Income.	846.84
Total s.	\$ 6,216,430.54

This Company purchased gas during the year ended December 31st.  
1919, from the following companies and individuals:

NAME	ADDRESS
The Associated Gas Company.	Clarksburg, W. Va.
Virgil L. Allen.	Centerpoint, W. Va.
The Alldire Oil & Gas Company.	Buckhannon, W. Va.
Brown's Creek Oil & Gas Company.	Clarksburg, W. Va.
Burnsville Gas Company.	Burnsville, W. Va.
A. J. Broderick.	Clarksburg, W. Va.
The Cayton Oil & Gas Company.	Weston, W. Va.
Clarksburg Light & Heat Company.	Clarksburg, W. Va.
Coltrane Oil & Gas Company.	Haywood, W. Va.
The Commercial Coal & Coke Company.	Clarksburg, W. Va.
H. B. Curtin.	"
Geo. L. Dufour & Company.	Huntington, W. Va.
Geo. L. Dufour, et.al.	Weston, W. Va.
Eastern Petroleum Company.	Salem, W. Va.
Eastern Petroleum Company.	1417 Penn's Bldg., Phila. Pa.
Curtis B. Fleming.	Fairmont, W. Va.
Jake Fisher, et.al.	Burnsville, W. Va.
Sheridan R. Griffin.	Clarksburg, W. Va.
Nathan Goff.	"
Boyd E. Hornor.	"
Hugh Jarvis.	"
The Keystone Oil Co. of New York.	66 Broadway, New York City.
Catherine H. Latstetter, et.al.	Clarksburg, W. Va.
H. S. Lobaugh, et.al.	"
R. T. Lowndes.	"
Martin Brothers.	Haywood, W. Va.
W. Brent Maxwell.	Clarksburg, W. Va.
H. H. Mitton.	Lumberport, W. Va.
Fred A. McFarlin.	Adamston, W. Va.
Edward McSweeney.	Lee, Va.
J. C. McWhorter.	Buckhannon, W. Va.
Oakland Oil Company.	Crafton, Pa.
J. W. Overholt & Company.	Mt. Pleasant, Pa.
I. F. Overholt, et.al.	Mt. Pleasant, Pa.
Producers Gas Company.	Clarksburg, W. Va.
The Robinson Oil & Gas Company.	"
Arthur Sheets & Company.	"
South Penn Oil Company.	Pittsburgh, Pa.
Underwood Oil Company.	"
United Fuel Gas Company.	Charleston, W. Va.
J. Carl Vance and L. S. Hornor.	Clarksburg, W. Va.
J. L. Walton.	"
T. A. Whelan and Frank Alfred.	Weston, W. Va.
Ernest S. Swiger, et.al.	Clarksburg, W. Va.
T. M. Wise and Criss Oil & Gas Company.	Hannington, W. Va.
Herbert Woolard.	Clarksburg, W. Va.
Wayland Oil & Gas Company.	Charleston, W. Va.

Store Expense,  
Stable and Automobile Expenses,  
Engineering,  
Operation and Maintenance of Telephone  
System,  
Shop Expense,  
Laboratory Expense,

\$2,039.23  
\$1,307.43  
\$1,66.32

22,611.77  
5,976.53  
1,301.38  
239,648.56

# TAXES:

General Property,  
Federal Income and Excess Profits Tax  
State Excise Tax,  
Public Service Commission Tax,  
State License Tax,  
Automobile License Tax,

117,901.72  
8,093.69  
1,939.36  
1,800.00  
1,750.00  
442.50  
131,987.27

RENT OF LEASED PROPERTY

100,000.00

INTEREST ON UNFUNDED DEBT

136,942.12

INTEREST ON FUNDED DEBT

6,830.36

UNCOLLECTIBLE CUSTOMERS' BILLS

466.61

Totals,

\$ 3,844,354.64

\$3,844,354.64

## QUANTITY OF GAS PURCHASED FROM OTHER GAS COMPANIES, AND AVERAGE PRICE PER M CUBIC FEET PAID FOR SAME.

	In All States Cu. Ft.	Average Price (Cents)	In West Va. (Cu. Ft.)
The Associated Gas Company,	78,444,000	7.31-	78,444,000
The Alkire Oil and Gas Company,	6,806,000	6.	6,806,000
Browns' Creek Oil and Gas Company,	6,090,000	7.38+	6,090,000
Brunsville Gas Company,	145,103,000	8.	145,103,000
The Cayton Oil and Gas Company,	111,130,000	8.	111,130,000
Clarksburg Light and Heat Company	25,946,000	10.	25,946,000
Coletrane Oil and Gas Company,	28,152,000	6.	28,152,000
Eastern Petroleum Company,	102,456,000	8.	102,456,000
Keystone Oil Company of New York,	39,330,000	6.63+	39,330,000
Oakland Oil Company,	14,180,000	8.	14,180,000
Producers Gas Company,	76,524,000	9.	76,524,000
Robinson Oil and Gas Company,	24,674,000	8.	24,674,000
South Penn Oil Company	29,416,000	6.5	29,416,000
Underwood Oil Company,	4,025,000	10.	4,025,000
United Fuel Gas Company	6,217,020,000	11.13-	6,217,020,000
Griss Oil & Gas Co. and T. M. Wise,	22,247,000	8.	22,247,000
Wayland Oil and Gas Company,	37,939,000	5.	37,939,000
Totals,	6,969,482,000		6,969,482,000

Form No. 8-B.

# Gas and Oil

A part of the report of Pittsburgh and West Virginia Gas Company.

If this company purchases gas, from whom or what company or companies does it purchase?

If this company purchases gas, how many cubic feet were purchased during the year?

Total number in all states.  
From other gas companies.

See Statement Attached. 6,969,492,000

From all other sources.  
Total in West Virginia.  
From other gas companies.  
Name of Companies.

1,159,842,000  
8,128,324,000

See Statement Attached. 6,969,492,000

From all other sources.  
If this company purchases gas, what was the average price per thousand cubic feet paid for same?

1,159,842,000

10.4 cents

Total in all states.  
To other gas companies.  
Name of Companies.

See Statement Attached

To other persons or individuals.

5.5-

In West Virginia.

10.7

To other gas companies.  
Name of Companies.

See Statement Attached.

To other persons or individuals.

5.5-

If this company has pipe lines leading from this state to other states, give the number of such lines, and the size of pipe used and the quantity of gas piped, for the year ending December 31st.

State to which piped.

If this company has pipe lines leading from other states to this state, give the number of such lines, and size of pipe used and the quantity of gas piped, for the year ending December 31st.

State from which piped.

Does this company pipe gas through its lines for other persons or companies? No.

Yes.

If so, of what does it consist? Listed in returns under Dis tricts in which located.



Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10.

Form No. 8-U.

Public Utility

A part of the report of ----- Pittsburgh and West Virginia Gas ----- Company

On this sheet and on the following sheets designated "Form No. 8 U.—Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

Condensed Summary of Pages 11-57

Valuations filed by the Board of Public Works are also shown.

District	Acreage of Number Miles		Total Value all Property	
	Gas and Oil of	Gas of Pipe	Returned	Assessed by
	Territory	Wells	by Company	Bd. of P. Wks.
		Line		
<b>BARBOUR COUNTY</b>				
Elk	2,047.00	-	\$ 1,023.50	\$ 1,027.59
Pleasants	422.00	-	211.00	211.84
Union	358.00	-	179.00	179.72
	2,827.00	-	\$ 1,413.50	\$ 1,419.15
<b>BERKLEY COUNTY</b>				
Birch	12,989.00	6	\$ 23,359.87	\$ 23,453.31
Holly	3,619.50	-	1,809.75	1,816.99
Kanawha	365.50	-	182.75	183.48
Otter	15,085.00	-	7,602.50	7,632.91
Salt Lick	13,439.50	41	295,776.76	296,959.87
Town of Burnsville	-	-	125,665.32	126,167.98
	45,498.50	47	\$ 454,396.95	\$ 456,214.54
<b>BREWER COUNTY</b>				
Central	2,935.50	17	\$ 458,104.48	\$ 459,936.90
Cove	3,755.00	8	32,890.33	33,021.89
Grant	1,644.00	16	121,184.64	121,669.38
Greenbrier	1,801.00	18	193,780.27	194,555.39
Independence	-	-	4,628.54	4,647.05
McClellan	2,040.00	12	345,617.66	347,000.13
New Milton	1,402.00	-	723.50	726.39
South West	11,271.75	48	188,597.06	189,351.46
West Union	3,857.50	21	180,752.19	181,475.20
Town of Industrial	-	-	547.96	550.15
	29,706.75	140	\$1,526,826.63	\$1,532,933.94
<b>GILMER COUNTY</b>				
Center	9,570.00	-	\$ 20,362.99	\$ 20,444.44
DeKalb	11,113.25	-	8,828.43	8,863.74
Glenville	20,765.50	23	175,888.24	176,591.79
Glenville Independent	267.00	-	133.50	134.03
Troy	11,500.75	4	43,329.73	43,303.06
	53,216.50	27	\$ 248,542.89	\$ 249,337.06
<b>HARRISON COUNTY</b>				
Clark	181.00	9	\$ 211,985.29	\$ 212,833.23
Clay	2,330.25	28	154,345.40	154,962.78
Coal	775.50	6	59,414.69	59,652.35
Eagle	5,362.00	69	379,418.49	380,736.16
Elk	609.00	7	25,773.00	25,876.09
Grant	840.25	18	117,809.40	118,280.64
Sardis	1,929.50	29	183,376.06	184,109.86
Simpson	1,491.00	7	21,775.03	21,862.14
Ten Mile	-	-	138,898.86	139,454.46
Union	1,696.00	31	307,861.13	308,590.57
Town of Clarksburg	-	-	35,168.20	35,308.87
" " Enterprise	-	-	3,124.94	3,137.44
" " Lumberport	59.00	3	11,423.06	11,468.78
" " Shinnston	-	-	28,349.47	28,462.87
Totals.....	15,273.50	207	\$1,678,223.05	\$1,684,735.94

FORM NO. 8—U CONTINUED

## PUBLIC UTILITY

A part of report of ----- Pittsburgh and West Virginia Gas ----- Company.

LEWIS COUNTY						
Collins Settlement,	14,780.25	3	.45	\$	15,737.44	\$ 15,800.39
Court House	17,612.25	132	94.06		964,121.13	967,977.62
Freemans Creek	7,469.75	63	73.40		634,122.28	636,658.77
Hackers Creek	2,969.00	40	21.32		149,532.85	150,130.90
Skin Creek	5,042.75	2	.30		8,925.65	8,961.35
Town of Weston	-	-	-		41,722.75	41,889.64
	47,774.00	240	189.51	\$1,814,162.10		\$1,821,418.67
MARTIN COUNTY						
Fairmont	1,258.50	11	4.05	\$	33,385.99	\$ 37,535.53
Grant	773.25	8	10.55		49,931.64	50,131.57
Lincoln	4,506.50	65	79.37		714,660.20	717,518.94
Mannington	3,102.50	41	18.66		145,251.45	145,802.46
Paw Paw	763.25	10	11.04		108,727.59	109,362.50
Union	124.00	-	10.99		25,109.98	25,210.42
Winfield	807.00	-	-		403.50	405.11
Town of Worthington	-	-	.67		2,781.04	2,792.16
	11,335.00	135	135.53	\$1,084,251.39		\$1,088,758.39
MARSHALL COUNTY						
Liberty	256.00	-	-	\$	2,201.94	\$ 2,210.75
MORGAN COUNTY						
Battelle	3,603.50	25	19.76	\$	101,779.72	\$ 102,186.84
Cass	94.00	-	-		47.00	47.19
Clay	4,964.50	30	37.14		560,675.75	562,119.45
	8,662.00	55	56.90	\$	462,502.47	\$ 464,352.48
PLEASANT COUNTY						
Lafayette	128.00	-	-	\$	64.00	\$ 64.26
RITCHIE COUNTY						
Clay	19,167.75	92	53.85	\$	416,223.67	\$ 417,898.60
Union	13,759.50	7	2.12		29,631.59	29,750.02
	32,927.25	99	55.97	\$	445,865.26	\$ 447,648.62
TAYLOR COUNTY						
Booths Creek	5,969.00	34	26.49	\$	178,755.86	\$ 179,470.88
Court House	646.00	4	5.81		25,954.68	26,058.50
Petterman	1,661.50	-	5.22		17,608.89	17,679.36
Flemingtop	864.00	1	10.00		11,169.00	11,213.67
Knottsville	-	-	.60		325.20	326.50
Town of Blueville	-	-	.06		964.02	967.88
" " Grafton	-	-	29.05		79,942.30	80,262.06
Pruntytown Independent	236.00	1	4.98		11,971.23	12,019.20
	9,376.50	40	82.21	\$	326,691.27	\$ 327,998.05
TYLER COUNTY						
Centerville	4,732.00	32	23.17	\$	183,635.08	\$ 184,369.62
McElroy	6,943.75	54	37.29		383,126.94	384,659.45
	11,775.75	86	60.45	\$	566,762.02	\$ 569,029.07
UPSHUR COUNTY						
Banks	5,905.00	-	-	\$	2,952.50	\$ 2,964.32
Buckhamon	3,628.00	-	-		1,814.00	1,821.25
Meade	6,237.00	-	-		3,118.50	3,130.97
Union	4,502.00	-	-		2,251.00	2,260.00
Warren	7,640.50	-	-		3,820.25	3,835.54
Washington	1,732.00	-	-		366.00	369.46
	29,644.50	-	-	\$	14,822.25	\$ 14,881.54

Pgh & W. Va. Report Bd. Pub. Wks., W. Va. Ex. 10.

FORM NO. 8—U CONTINUED

PUBLIC UTILITY

A part of report of-----Pittsburgh and West Virginia----- Company.

	405.00	-	-	\$	202.50	\$	203.51
<u>WEBSTER COUNTY</u>							
Holly	270.00	1	12.56		\$110,212.54		\$110,550.39
Center Church	5,667.00	89	56.56		419,716.47		421,395.34
Olney	756.00	4	16.48		166,485.28		167,151.22
Grant	11,719.75	64	80.43		674,572.07		677,270.36
Green	1,284.00	6	7.94		70,837.84		70,819.99
Town of Hundred	-	-	.51		90,129.56		90,490.08
" " Pine Grove	-	-	.51		1,012.80		1,016.85
	19,687.75	164	175.09		\$1,532,666.56		\$1,538,794.23
Totals,	317,494.00	1240	1211.60		\$10,159,594.78		\$10,200,000.00

Public Utility.

A part of the report of the..... Pittsburgh and West Virginia Gas..... Company.

EXPLANATORY REMARKS

State of..... Pennsylvania..... }  
County of..... Allegheny..... } as

I, THE UNDERSIGNED..... A. W. Thompson.....  
Name of Officer.

President  
Official Title.

of the..... Pittsburgh and West Virginia Gas..... Company, on my oath say that the return as shown on this and the foregoing pages of this report, has been prepared from the original books, papers and records of said Company; that I have carefully examined the same, and declare the same and each page thereof to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth, and that all property has been reported at its True and Actual Value, to the best of my knowledge, information and belief; the words "true and actual value" being understood by me to mean that price for which the before-mentioned property would sell if voluntarily offered for sale upon such terms as such property is usually sold and not the price which might be realized if said property was sold at a forced sale, and that there have been no expenditures for "additions and new work" either within or without the State of West Virginia except as shown on Form No. 4 U. of this report; and that the foregoing return includes all property owned, leased, or operated in the State of West Virginia by said Company during the period for which said return is made.

..... A. W. Thompson.....

President

Official Title.

SUBSCRIBED AND SWORN TO before me }  
this..... 29th day of..... March..... 1920.....

..... W. A. Martin,.....

Notary Public

My Commission Expires March 29, 1921.

(The return must be verified on the oath of the President, Vice-President, Secretary or Principal Accounting Officer.)

United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 1-U.

Public Utility:

A part of the report of the-----United Fuel Gas-----Company.

1. Name of company making this report-----United Fuel Gas Company-----

2. Nature of company, whether person or persons, association or corporation-----Corporation-----

3. Organized under the laws of what state-----West Virginia-----

4. Location of Principal Office-----Quarryier and Dunbar Streets.  
Charleston, West Virginia-----

5. Location of Principal Place of Business in West Virginia-----Charleston, West Virginia-----

6. Name of President and his address in full-----R. W. Crawford.  
52 West Gay Street, Columbus, Ohio-----

7. Name of Secretary and his address in full-----L. A. Seyffert  
Charleston, West Virginia-----

8. Name of General Manager and his address in full-----H. A. Wallace  
Charleston, West Virginia-----

9. Name of Chief Officer or Managing Agent in W. Va., and his address in full-----  
H. A. Wallace, Charleston, West Virginia-----

10. Name of Tax Agent and his address in full-----None-----

11. Name and full address of officer to whom correspondence regarding this report should be addressed  
L. A. Seyffert Secretary and Treasurer Charleston, W. Va.  
(Name) (Title) (Address)

12. Date of annual meeting of stockholders-----Second Tuesday in February-----

13. The books of the company are closed for the year on what date-----December 31-----

14. If a consolidated company, name the constituent companies-----

REMARKS.



# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 2-U

## Public Utility.

A part of the report of United Fuel Gas Company.

What is the amount of the authorized capital stock? \$ 10,000,000.  
 How much of the capital stock has been issued? \$ 10,000,000.  
 How many shares of common stock issued? \$ 100,000.  
 How many shares of preferred stock issued? None  
 What is the par value, per share, of the common stock? 100.  
 What is the par value, per share, of the preferred stock? None  
 What is the market value, per share, of the common stock? No Market.  
 What is the market value, per share, of the preferred stock? -  
 If stock is not on the market, at what is it valued per share? -  
 How much of the stock was paid for in cash? -

What was the consideration for stock issued, but not paid for in cash? Property

If any part of the stock was not paid for in cash, was the consideration equivalent to cash? Yes

How much bonus stock, if any, was issued? None

If stock is not worth par, how do you account for the fact that it is not? -

## FUNDED DEBT

FOR WHAT ISSUED	Date of Maturity	Principal Outstanding Dollars	Rate of Interest	Total Market or Actual Value on December 31 Dollars
Construction of Plant; and underlying Bonds of purchased Companies	1936	10,447,000	6%	-
Totals				

## UNFUNDED DEBT

FOR WHAT INCURRED	Amount
	2,262,795.87
Totals	

Accounts receivable, December 31, \$ 1,542,140.49

This company began business or was acquired by the present owners or operators (year)

Investment. (By present owners.) (day)

Stock issued (money value) \$

Amount realized from sale of bonds \$

Earnings put into plant \$

Total investment or cost (entire plant) \$

What is the actual cost of that part of the plant which is situate in West Virginia, including property of all kinds? \$

What would be the approximate cost of reproducing the entire plant new? \$

What would be the approximate cost of reproducing that part of the plant which is situated in West Virginia? \$

What is the total value of the entire plant, as shown by the books of the Company? \$26,499,036.95 (Cost)

What is the value of that part of the plant situate in West Virginia, as shown by the books of the Company? \$

# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

Form No. 3. U-A.

Gas and Oil.

Company

A part of the report of the United Fuel Gas

THE OPERATING AND MAINTENANCE AND OTHER EXPENSES as shown below should not include expenditures for additions to plant, dividends or any amount for depreciation.

Operating and Maintenance Expenses, Interest, Etc., for the year ending December 31, (Fully itemize.)	Entire Plant	West Va.
<b>General Expenses:</b>		
Salaries and Expenses of General Officers.....	\$ 90,935.32	\$
(Salaries and Expenses of General Office Employees.....	70,342.86	
(Miscellaneous Expenses of General Office (Office Supplies, Etc.).....	42,244.73	
Legal Expenses.....	6,452.50	
<b>Miscellaneous</b>		
Prospecting and Lease Expenses:		
Salaries and Expenses.....	50,713.11	
Purchase of Leases.....	573,803.87	
Rental of Leases.....		
Drilling unproductive Wells.....		
Production Expenses:		
Superintendent and Salaries.....	11,982.75	
Royalties.....	159,363.63	
Operating Gas Wells and Lines.....	225,909.93	
Operating Oil Wells.....	80,518.17	
Repairs to Gas Wells and Lines.....	116,086.21	
Repairs to Oil Wells.....	50,788.86	
Transportation Expenses:		
Superintendence and Salaries.....	4,167.30	
Operating Transportation Lines.....	49,611.02	
Operating Pump Stations.....	203,341.68	
Operating Pressure Stations.....		
Repairs of Transportation Lines.....	45,663.58	
Repairs of Pumping Station Equipment.....	66,630.09	
Carried Forward to Form No. 3 U.-A.—Continued	1,848,555.63	



Form No. 3-U.—A.—Continued.

## Gas and Oil.

A part of the report of **United Fuel Gas** Company.

Brought forward from Form No. 3 U.—A.	\$
Taxes:	
License or Charter Taxes.....	21,551.83
General Property Taxes.....	291,476.98
(Federal Excess Profits Tax (Federal Income Tax.....)	556,972.15
Other Federal Taxes.....	21,267.24
Miscellaneous Taxes.....	9,171.97
Interest and Discount:	
On Bonds and other Funded Debt.....	626,657.50
On Unfunded Debt.....	9,378.09
Gas Purchased.....	450,872.28
Miscellaneous Expense which can not be set out under the above headings: (Fully itemize) Do not combine items if by so doing, the total to be entered on any line is in excess of \$5000.)  (Companies whose total expense for operation and maintenance does not exceed \$5000; may itemize all of such expense hereunder if desired instead of using the form above.)	
Distribution and Commercial Expense.....	195,283.34
Gasoline Expense.....	364,436.28
Tank Car ".....	9,942.80
Carbon Black Expense.....	19,954.94
Profit and Loss Adjustments.....	172,047.32
Total.....	4,597,570.25

**depletion and**

**What is considered a fair rate of depreciation?**

**What reason can be assigned for a charge-off for depreciation, considering the maintenance expense set out above? .....**

## Form No. 4—U

## United Fuel Gas Company.

...Company.

be written in the columns headed "Entire Plant" and "In West Va."

Total

# United Fuel Report Bd Pub. Wks. W. Va. Ex. 11

Form No. 5.

## Gas and Oil:

A part of the report of United Fuel Gas Company,

This sheet is intended to show the size, length and time in use, only, of the pipe line owned, leased or operated by the company making this report.

A complete statement showing the different sizes of pipe, the number of miles of each size and the average time in use, should be made on this sheet. Nothing else should be reported hereon.

SIZE	MILES IN WEST VIRGINIA	MILES OUTSIDE WEST VIRGINIA	TIME USED
2"	173.86	44.32	9.67
2½"	.30		17.00
3"	127.34	51.08	10.62
4"	237.71	45.00	7.47
4-7/8"		23	
5-3/16"	.47		4.02
5-3/4"	3.05	2.95	1.99
6"	121.80	24.54	8.27
6½"	.39	.52	4.26
6-5/8"	3.03	1.70	4.35
8"	115.45	19.39	12.00
8½"	.88	.35	5.11
10"	115.96	77.40	11.02
12"	14.45	25.85	7.62
14"	45.72	5.77	13.72
15"	.44		7.57
16"	78.18	7.40	8.63
18"	24.25	.04	9.52
20"	88.51	.04	6.56
24"	.08		6.38
30"	.05		8.00
	<u>1,151.94</u>	<u>306.58</u>	
Less than 2"	<u>4.81</u>	<u>5.23</u>	
	1,156.75	311.81	

Average number of years used in West Virginia.

TOTAL MILEAGE. 1,156.85

311.81

PAGE 6

# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

Form No. 6

## Gas and Oil

United Fuel Gas Company.

A part of the report of-----	
How many acres of undeveloped gas leases are controlled by the Company making this report?	740,144.97
Total in all states-----	553,166.04
In West Virginia-----	
How many acres of developed gas leases?	66,640.70
Total in all states-----	62,336.60
In West Virginia-----	
How many producing gas wells were owned at the beginning of the year?	656.4
Total in all states-----	606.4
In West Virginia-----	
How many producing gas wells were drilled during the year?	15.5
Total in all states-----	15.5
In West Virginia-----	
How many "dry" wells were drilled during the year?	6.5
Total in all states-----	6.5
In West Virginia-----	
How many gas wells were purchased during the year?	10.5
Total in all states-----	10.5
In West Virginia-----	
How many gas wells were abandoned during the year?	15.5
Total in all states-----	10.5
In West Virginia-----	
How many gas wells were sold during the year?	10.1
Total in all states-----	10.1
In West Virginia-----	
How many producing gas wells were owned at the end of the year?	556.8
Total in all states-----	611.8
In West Virginia-----	
How many gas wells were in use at the end of the year?	556.8 See Letter
Total in all states-----	611.8 5/6/20
In West Virginia-----	
What was the average rock pressure for the year of the gas wells owned?	265
Total in all states-----	265
In West Virginia-----	
What was the total daily capacity at the end of the year of the gas wells owned?	
Total in all states-----	
In West Virginia-----	
What was the total average daily delivery of gas, from wells owned, for the year?	
Total in all states-----	
In West Virginia-----	





# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

Form No. 8-B.

## Gas and Oil

A part of the report of United Fuel Gas Company.

If this company purchases gas, from whom or what company or companies does it purchase?  
See attached list

If this company purchases gas, how many cubic feet were purchased during the year?  
 Total number in all states See attached list 12,086,680  
 From other gas companies.  
 Name of Companies.

From all other sources.  
 Total in West Virginia.  
 From other gas companies.  
 Name of Companies. 11,412,463

From all other sources See attached list  
 If this company purchases gas, what was the average price per thousand cubic feet paid for same?  
 Total in all states See attached list .0373 cents  
 To other gas companies.  
 Name of Companies.

To other persons or individuals.  
 In West Virginia See attached list .0359  
 To other gas companies.  
 Name of Companies.

To other persons or individuals.  
 If this company has pipe lines leading from this state to other states, give the number of such lines, and the size of pipe used and the quantity of gas piped, for the year ending December 31st,  

Number.	Size of Pipe.	No. cubic feet piped.	State to which piped.
(B) 1	10"		Kentucky
(B.19) 1	10"		"
(B.M.22) 1	16"		"
(F) 1	14"		Ohio & Ky.
(G) 1	10"		Ohio

If this company has pipe lines leading from other states to this state, give the number of such lines, and size of pipe used and the quantity of gas piped, for the year ending December 31st,  

Number.	Size of Pipe.	No. cubic feet piped.	State from which piped.
(B) 1	10"		Kentucky
(B.M.23) 1	10"		"

Does this company pipe gas through its lines for other persons or companies? No  
 Does this company own any real estate which is used in connection with its gas business? Yes  
 If so, of what does it consist? See Real Estate list on Form 8-U continued.

United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

Form No. 8-U Continued

Public Utility  
A part of report of ..... United Fuel Gas ..... Company.

1919

1919

GAS PURCHASED  
Rate M. Cu. Ft.  
.0200 14,432

Ohio  
Welch & Lowman

.0620 659,795

Kentucky:

John Murphy  
Ohio Oil, Gas & Dist. Co.  
Union Gas & Oil Co.

West Virginia:

Anderson Oil & Gas Co.  
Belvard Oil & Gas Co.  
Blackshire Oil & Gas Co.  
Blue Creek Con. Oil Co.  
Carter Oil Co.  
Central Wayne Oil & Gas Co.  
Charleston-Stenden Oil & Gas Co.  
Charleston-Dunbar Natural Gas Co.  
Clendenin Oil & Gas Co.  
Columbian Carbon Co.  
Crawford, J. E.  
DePue Gas Co.  
East Lynn Oil & Gas Co.  
Eastern Petroleum Co.  
Empire Petroleum Co.  
Fisher Oil Co.  
Gascoal Oil Co.  
Greenleaf & Starbuck  
J. O. Jackson Co.  
Kanawha City Oil & Gas Co.  
Kootis, L.  
Latty Oil & Gas Co.  
Little Sycamore Oil & Gas Co.  
McGray, D. D.  
McDermick, David et al  
Meteor Carbon Co.  
Navajo Gas Co.  
Ohio Cities Gas Co. & Fisher Oil Co.  
Ohio Fuel Oil Co.  
Ohio Fuel Oil Co. & Surfey Gillespie Oil Co.  
Ohio Oil, Gas & Dist. Co.  
O'Connell Oil Co.  
Owens Bottle Machine Co.  
Pelham Oil & Gas Co.  
Priddle Oil & Gas Co.  
Sahlgay & Staff  
Sayer Gas Co.  
Silman, Peter  
South Fern Oil Co.  
Stanton, E. C.  
Stonewall Oil & Gas Co.  
Wayland Oil & Gas Co.  
Sun Oil Co.  
Cabin Creek Gas Co.

.0359 11,412,463

Grand Total.....0373 12,086,690



# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

Form No. 7

## Gas and Oil

A part of the report of United Fuel Gas Company.

How many acres of undeveloped oil leases are controlled by the company making this report?

Total 533.00  
In West Virginia 533.00

How many acres of developed oil leases?

Total None  
In West Virginia "

See Form 6 for Oil & Gas Leases

How many producing oil wells were owned at the beginning of the year?

Total 140.5  
In West Virginia 139.5

How many producing oil wells were drilled during the year?

Total 24.6  
In West Virginia 24.6

Drilled and purchased

How many oil wells were abandoned during the year?

Total 2.5  
In West Virginia 2.5

abandoned and sold

How many producing oil wells were owned at the end of the year?

Total 162.6  
In West Virginia 161.6

What was the total average daily production of oil for last year?

Total 753.18 Bbls.  
In West Virginia 751.77 "

What was the total average daily production of oil for this year?

Total 647.42 "  
In West Virginia 646.97 "

What was the total production of oil for the month of December, this year?

Total 18,258.50 "  
In West Virginia 18,245.44 "

What was the total production of oil for the year?

Total 236,308.83 "  
In West Virginia 236,143.02 "

What was the average price per barrel received for oil sold during the year?

Total 4.545  
In West Virginia 4.546

If this company transports oil through its pipe lines for other persons or companies, how many barrels were transported for the year, for such other persons or companies?

Total None  
In West Virginia "

What was the total number of barrels of oil transported through the pipe lines of this company for the year?

Total "  
In West Virginia "

What does this company charge for transporting oil through its pipe lines?

Total "  
In West Virginia "

PAGE 10.

# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

Form No. 8-U.

## Public Utility

A part of the report of United Fuel Gas Company

On this sheet and on the following sheets designated "Form No. 8 U.—Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

## Condensed Summary of Pages 11-84 Valuations filed by the Board of Public Works are also shown.

District	Average of number Gas and Oil of Gas	Miles of Pipe	Total Value all Property Returned Assessed by by Company Bd. of Pub. Wks.
<u>BOONE COUNTY</u>			
Crook	12,168.00	-	\$ 12,168.00 \$ 19,408.00
Peytonia	1,670.00	-	1,670.00 2,663.00
Scott	19,345.34	4	31,442.32 60,180.00
Sherman	12,601.55	-	11,301.55 17,706.00
Washington	1,699.00	1	3,539.00 5,645.00
	47,483.89	5	\$ 59,920.87 \$ 95,572.00
<u>BRAZTON COUNTY</u>			
Rosedale	-	-	\$ 101.76 \$ 163.00
Otter	-	-	46.81 73.00
Salt Lick	-	-	52.08 83.00
			\$ 200.65 \$ 319.00
<u>CABELL COUNTY</u>			
City of Barboursville	-	3.92	\$ 5,649.18 \$ 9,010.00
Barboursville	-	6.64	52,284.52 83,393.00
Gulldeden	-	-	8.25 13.00
Grant	9,364.40	20.32	265,763.86 423,892.00
Guyandotte	-	7.29	36,633.87 58,435.00
City of Huntington	-	109.29	327,829.10 522,887.00
" " Milton	-	-	81.20 129.00
Union	66.50	-	66.50 105.00
	9,430.90	147.46	\$ 688,318.48 \$ 1,097,864.00
<u>CALHOUN COUNTY</u>			
Washington	-	10.48	\$ 125,583.50 \$ 200,305.00
<u>CLAY COUNTY</u>			
Buffalo	230.00	-	\$ 291.83 \$ 464.00
Henry	20,327.67	-	64,378.45 86,733.00
Otter	666.00	-	666.00 1,062.00
Pleasant	7,744.50	-	1,441.88 8,678.00
Union	16,498.28	16	291,149.33 464,337.00
	45,466.45	16	\$ 351,927.49 \$ 561,324.00
<u>PAYETTE COUNTY</u>			
Falls	9,048.00	-	\$ 9,048.00 \$ 14,432.00
Kanawha	473.36	-	473.36 754.00
	9,521.36	-	\$ 9,521.36 \$ 15,186.00
<u>GILMER COUNTY</u>			
Center	19.50	13.40	\$ 164,155.77 \$ 261,829.00

# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

FORM NO. 8-U CONTINUED

## PUBLIC UTILITY

A part of report of.....United Fuel Gas.....Company.

JACKSON COUNTY									
City of Ravenswood,			3.84	\$	9,171.38	\$			14,628.00
Ravenswood	1,840.22	-	17.95		206,592.29				329,514.00
City of Ripley	-	-	2.83		4,199.75				6,697.00
Ripley	8,761.50	-	5.00		19,575.48				31,225.00
Union	534.50	-	-		534.50				852.00
Washington	19,295.50	30.30	28.94		195,572.21				311,937.00
	22,431.72	30.30	58.56		\$ 435,645.61	\$			694,854.00
KANAWHA COUNTY									
Big Sandy	45,828.51	117	97.31		\$1460,174.86	\$			2328,978.00
Cabin Creek	35,155.84	25	26.55		821,775.28				1310,731.00
City of Charleston	-	-	91.57		346,482.04				552,639.00
Charleston	2,173.95	-	11.14		27,318.30				43,572.00
City of Clendenin	-	3	7.89		87,217.02				139,378.00
" " East Bank	-	-	2.96		2,522.28				4,023.00
Elk	111,403.79	24	94.18		766,344.85				1232,175.00
Jefferson	497.50	-	2.11		22,500.31				35,888.00
London	24,840.00	1	13.91		54,266.65				86,554.00
Malden	24,700.11	2	7.87		68,185.45				108,755.00
Poca	16,225.37	2	13.25		63,497.34				101,278.00
City of S. Charleston	-	-	9.70		19,679.40				31,388.00
Union	5,344.74	-	21.89		491,447.39				783,858.00
Washington	5,503.00	-	-		5,429.00				8,658.00
	273,672.81	174	400.33		\$4236,839.18	\$			6767,875.00
LINCOLN COUNTY									
Carroll	136.00	-	2.59		\$ 31,049.42	\$			49,523.00
Duval	11,283.45	1	-		38,507.60				61,419.00
Jefferson	10,983.00	1	-		12,245.00				19,534.00
Laurel Hill	397.00	-	-		198.50				316.00
Sheridan	125.00	-	-		125.00				199.00
Union	2,683.50	-	-		1,871.00				2,984.00
Washington	697.00	1	-		\$ 1,628.50				2,597.00
	26,264.95	3	2.59		\$ 85,625.02	\$			136,572.00
LOGAN COUNTY									
Chapmansville	2,986.50	5	17.68		\$ 103,709.78	\$			165,416.00
City of Logan	-	-	3.69		12,042.45				19,207.00
Logan	1,366.00	1	5.71		18,397.75				29,345.00
	4,352.50	6	27.28		\$ 134,149.98	\$			213,968.00
MASON COUNTY									
Arbuckle	204.00	-	-		\$ 204.00	\$			325.00
Clendenin	667.00	-	-		667.00				1,064.00
Cooper	124.50	-	-		124.50				198.00
Hannan	1,097.00	-	-		1,097.00				1,750.00
Union	942.00	-	-		942.00				1,502.00
	3,034.50	-	-		\$ 3,034.50	\$			4,839.00
MINGO COUNTY									
Hardee	58.00	-	-		\$ 63.25	\$			100.00
Harvey	3,639.17	-	5.83		61,318.08				97,802.00
City of Kennit	61.00	4	5.03		171,261.40				273,161.00
Lee	-	-	3.39		9,821.16				15,664.00
Maynard	61.50	-	8.03		23,305.27				37,174.00
Warfield	8,014.00	15	24.29		152,685.17				243,533.00
City of Williamson	-	-	11.16		32,941.37				52,541.00
	11,833.67	19	57.73		\$ 451,395.70	\$			719,975.00

# United Fuel Report Bd. Pub. Wks. W. Va. Ex. 11

FORM NO. 8—U CONTINUED

## PUBLIC UTILITY

A part of report of ----- United Fuel Gas ----- Company.

FUTHEM COUNTY					
Buffalo	265.00	-	-	\$ 265.00	\$ 423.00
Curry	6,176.75	1	12.16	130,061.32	207,447.00
Curry Sub #1	140.00	-	3.40	19,048.25	30,382.00
Grant-	-	-	-	166.81	265.00
City of Hurricane	2.00	-	3.18	5,820.64	9,283.00
Pocatalico	2,608.00	-	14.72	69,739.96	111,234.00
Scott	377.50	-	10.65	59,620.70	95,094.00
Tears Valley	10,096.00	1	3.24	35,519.03	56,653.00
Union	23.00	-	-	289.00	454.00
	19,688.25	2	47.35	\$320,530.71	\$ 511,245.00
RALEIGH COUNTY					
Clear Fork	21,700.77	-	-	\$ 21,700.77	\$ 34,756.00
Marsh Fork	39,136.45	-	-	39,136.45	62,423.00
Trep Hill	4,782.55	-	-	4,782.55	7,627.00
Town	981.18	-	-	981.18	1,565.00
	66,600.95	-	-	\$ 66,600.95	\$ 106,371.00
ROANE COUNTY					
City of Alford	-	-	1.02	\$ 1,020.58	\$ 1,627.00
Curtis	17,171.74	65.5	44.33	505,829.74	806,797.00
Geary	51,832.60	126	93.46	703,339.47	1,121,826.00
Harper	8,056.02	2	6.63	18,622.96	29,702.00
City of Reedy	-	-	2.04	2,042.76	3,258.00
Reedy	2,061.50	-	5.97	7,455.71	11,899.00
Smithfield	25,048.14	27.5	32.24	115,598.56	184,379.00
City of Spencer	-	1	5.06	82,094.39	130,940.00
Spencer Ind.	-	-	4.08	3,084.26	6,195.00
Spencer	19,136.23	51.5	34.23	228,165.90	363,923.00
Walton	23,297.96	81	67.09	494,622.07	788,922.00
	146,604.39	354.5	296.15	\$2162,676.40	\$3449,468.00
WAYNE COUNTY					
Butler	8,463.00	-	9.02	\$ 66,494.46	\$ 106,058.00
City of Ceredo	-	-	3.48	7,860.99	12,537.00
Ceredo	-	-	20.96	79,164.74	126,267.00
City of East Lynn	-	-	1.59	1,541.80	2,458.00
" " Fort Gay	-	-	2.15	4,799.71	7,654.00
Grant	120.00	-	-	120.00	199.00
City of Kanova	-	-	12.66	36,149.89	57,658.00
Lincoln	2,982.00	-	3.64	25,392.12	40,500.00
Stonewal	16.00	-	10.00	30,906.30	49,295.00
Union	82.00	2	1.58	6,080.04	9,698.00
City of Wayne	-	-	-	69.06	110.00
	11,633.00	2	65.08	\$ 258,579.11	\$ 412,434.00
Totals,	698,036.84	611.8-1152.01		\$9555,647.58	\$15,250,000.00

Form No. 9 U.

**Public Utility**

A part of the report of the United Fuel Gas Company

1919

**EXPLANATORY REMARKS**

1919

Prices on Pipe Lines are based on actual cost, including all material, labor constructing, rights of way, etc., less five per cent. per year for each year lines have been laid.

Other material is priced at approximately 75 per cent. of cost when new.

Material in stock at cost, Buildings, compressor stations, etc. are included at cost less depreciation.

Office furniture and horses and wagons are priced at 50 per cent. of cost.

State of West Virginia

County of Kanawha

ss

I, L. A. Seyffert

Name of Officer.

Secretary and Treasurer  
Official Title.

of the United Fuel Gas

Company, on my oath say that the return as shown on this and the foregoing pages of this report, has been prepared from the original books, papers and records of said Company; that I have carefully examined the same, and declare the same and each page thereof to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth, and that all property has been reported at its *True and Actual Value* to the best of my knowledge, information and belief; the words "true and actual value" being understood by me to mean that price for which the before-mentioned property would sell if voluntarily offered for sale upon such terms as such property is usually sold and not the price which might be realized if said property was sold at a forced sale, and that there have been no expenditures for "additions and new work" either within or without the State of West Virginia except as shown on Form No. 4 U. of this report; and that the foregoing return includes all property owned, leased, or operated in the State of West Virginia by said Company during the period for which said return is made.

L. A. Seyffert,

Secretary and Treasurer

Official Title.

SUBSCRIBED AND SWORN TO before me  
this 30<sup>th</sup> day of March 1920

D. C. Jay,

My commission expires March 2, 1925.

Notary Public

(The return must be verified on the oath of the President, Vice-President, Secretary or Principal Accounting Officer.)



**Reserve Report Bd. Pub. Wks., W. Va. Ex. 12.**

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 1-U.

**Public Utility:**

A part of the report of the ----- Reserve Gas ----- Company.

1. Name of company making this report ----- Reserve Gas Company -----

2. Nature of company, whether person or persons, association or corporation -----  
----- Corporation -----

3. Organized under the laws of what state ----- West Virginia -----

4. Location of Principal Office ----- 424 Sixth Avenue, Pittsburgh, Pa. -----

5. Location of Principal Place of Business in West Virginia ----- Empire Building,  
Clarksburg, West Virginia -----

6. Name of President and his address in full ----- George H. Jones  
26 Broadway, New York City. -----

7. Name of Secretary and his address in full ----- Christy Payne,  
424 Sixth Avenue, Pittsburgh, Pa. -----

8. Name of General Manager and his address in full ----- John H. Corrin  
424 Sixth Avenue, Pittsburgh, Pa. -----

9. Name of Chief Officer or Managing Agent in W. Va., and his address in full ----- J. J. Evans,  
General Superintendent, Clarksburg, West Virginia -----

10. Name of Tax Agent and his address in full ----- Christy Payne,  
424 Sixth Avenue, Pittsburgh, Pa. -----

11. Name and full address of officer to whom correspondence regarding this report should be addressed  
Christy Payne ----- Secretary ----- 424 6th Ave. Pittsburgh, Pa.  
(Name) (Title) (Address)

12. Date of annual meeting of stockholders ----- Second Tuesday in April -----

13. The books of the company are closed for the year on what date ----- December 31st. -----

14. If a consolidated company, name the constituent companies ----- None -----

**REMARKS.**





# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12.

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 3-U.

## Public Utility.

A part of the report of Reserve Gas Company.

What were the total gross earnings (including all sums earned or charged, whether actually received or not, and its proportion of the gross receipts for business done by it in connection with other companies or firms), of the Company, Co-partnership, Association or Corporation making this report, for the year ending

December 31, 1919 in all States? \$ 3,578,069.34

in West Virginia? \$ 3,578,069.34

How much of the gross earnings resulted from business actually done in West Virginia? \$ 3,578,069.34

How much of the total gross earnings should properly be credited to West Virginia to give the state a fair share of earnings? \$ 3,578,069.34

If this company operates outside of West Virginia, how, or upon what principle were the earnings apportioned, as between this state and other states? None

What were the total operating and maintenance expenses including interest and taxes in all states? \$ 2,408,878.55

What were the total operating and maintenance expenses including interest and taxes in West Virginia? \$ 2,408,878.55

("Operating and maintenance expenses" is to be understood to mean the actual expenses of operation, and actual expenditures for maintenance. Expenditures for new work (permanent improvements and additions), and dividends are not to be included as operating expenses.)

If this company operates outside of West Virginia, how, or upon what principle were the operating expenses apportioned as between this state and other states? None

What were the net earnings in West Virginia for the year ending December 31, ? \$ 1,169,190.79

What were the total net earnings, in all states, for the year ending December 31, ? \$ 1,169,190.79

What dividends were declared during the year on common stock? 15 per cent; amount \$ 600,000.00

What dividends were declared during the year on preferred stock? None per cent; amount \$ None

When were the dividends declared on common stock? 3/22/19-12/20/19 referred Stock? \$ None

Interest paid on Funded Debt during the year. \$ None

Interest paid on Unfunded Debt during the year. \$ 1,853.00

(There should appear on each sheet of this report some notation to indicate that the information desired or questions asked have not been overlooked. The word "none" may be used against any particular item or items, where that word expresses the fact. If, for any reason, refer by note to "Remarks" at the bottom of the sheet on which a division occurs, where a brief explanation should be given why specific data called for cannot be returned *exactly as requested*.)

REMARKS.

Reserve Report Bd. Pub. Wks., W. Va. Ex. 12

Form No. 8-U Continue

Public Utility

A part of report of

Reserve Gas

Company

WEST VA.

1920

\*NOTE FOR FOOT OF PAGE NO. 3\*

The company suffered a decline of 21.12% in the rock pressure of its gas fields during the year 1919 and has deducted from Earnings, a Depletion of \$891,513.14 in its return for Federal Income and Excess Profit Taxes. This depletion item is not deducted from the earnings on Page 3 of this return; nor has any account been taken of depletion in any of the statements rendered herein. On page 4 the amount of this depreciation is shown to be \$322,419.43 for the year 1919; this depreciation is applied only to tangible property such as Pipe Lines and Compressing Stations and not to Leasesholds; and is at conservative rates, for instance:- On Field and Main Lines 5%, on City Plants 3% and somewhat higher rates on Automobiles, Teaming Investment and such property subject to rapid deterioration.

Wish to note also the additions to Investment as shown on Page 5, \$870,210.19 and that in spite of such expenditures, the amount of gas which the company was able to produce, purchase and sell was greatly below 1918 deliveries. The plant was actually worth less as a gas plant at the end of the year than at the beginning, the decline in the supply more than overcoming all the money reinvested. The exhaustion of gas is constantly lessening the value of the tangible investment beyond mere wear and tear and in spite of maintenance expenditures, it is not possible to avoid depreciation due to either of these causes.

# Reserve Report Bd. Pub. Wks. W. Va. Ex. 12.

Form No. 3. U—A.

## Gas and Oil.

A part of the report of the Reserve Gas Company

THE OPERATING AND MAINTENANCE AND OTHER EXPENSES as shown below should not include expenditures for additions to plant, dividends or any amount for depreciation.

Operating and Maintenance Expenses, Interest, Etc., for the year ending December 31, (Fully itemize.)	Entire Plant	West Va.
General Expenses:		
Salaries and Expenses of General Officers.....	\$ 10,000.00	\$
Salaries and Expenses of General Office Employees.....	43,165.65	
Miscellaneous Expenses of General Office (Office Supplies, Etc.).....		Same
Lease Expenses.....	1,330.87	
Private Telephone Lines.....	1,587.34	Same
Prospecting and Lease Expenses:		
Salaries.....	2,748.65	
Purchase of Leases.....		
Rental of Leases.....	66,338.56	
Drilling <del>and</del> Wells Labor & Teaming.....	332,181.50	
Production Expenses:		
Superintendent and Salaries.....	18,339.34	
Royalties.....	185,815.64	
Operating Gas Wells & Field Lines.....	117,437.62	
Operating Oil Wells.....	23,165.47	Same
Repairs to Gas Wells.....	350,934.72	
Repairs to Oil Wells.....	2,520.06	
Transportation Expenses:		
Superintendence and Salaries.....	2,022.50	
Operating Transportation Lines.....	20,336.54	
Operating Pump Stations.....	196,852.94	
Operating Pressure Stations.....	7,666.27	
Repairs of Transportation Lines.....	17,068.31	
Repairs of Pumping Station Equipment.....	239,935.14	Same
Carried Forward to Form No. 3 U.—A.—Continued	1,639,447.54	Same

# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12

Form No. 3-U.-A.—Continued.

## Gas and Oil.

A part of the report of Reserve Gas Company.

Brought forward from Form No. 3 U.-A.	\$ 1,639,447.54	\$
<b>Taxes:</b>		
License or Charter Taxes	790.00	
General Property Taxes	107,593.07	
Federal Excess Profits Tax	39,399.71	Same
Federal Income Tax	9,625.00	
Other Federal Taxes	8,652.89	
Miscellaneous Taxes		
<b>Interest and Discount:</b>		
On Bonds and other Funded Debt	1,853.00	
On Unfunded Debt	135,315.85	
<b>Gas Purchased</b>		
Miscellaneous Expense which can not be set out under the above headings:		
(Fully itemize) Do not combine items if by so doing, the total to be entered on any line is in excess of \$5000.)		
(Companies whose total expense for operation and maintenance does not exceed \$5000, may itemize all of such expense hereunder if desired instead of using the form above.)		
<b>Sick and Disability</b>	5,530.73	
<b>City Plants, Salaries, Agents, etc.</b>	3,252.28	
<b>Cancelled &amp; Surrendered Leases</b>	1,314.09	
<b>Miscellaneous Expense</b>	9,565.10	
<b>Cleaning Out Tools</b>	29,747.81	
<b>Gasoline</b>	338,792.51	
<b>Teams - Maintaining</b>	45,688.37	
<b>Coal Expense</b>	26,711.84	
<b>P. &amp; L. Suspense Account</b>	5,408.76	
<b>Totals</b>	2,408,878.55	

What amount, if any, should be charged off for depreciation? \$ 322,419.43

What is considered a fair rate of depreciation?

What reason can be assigned for a charge-off for depreciation, considering the maintenance expense set out above?

# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12.

Form No. 4-U

## Public Utility

A part of the report of Reserve Gas Company.

All expenditures for additions and new work during the year for which this report is made should be reported hereon. If, for any reason, the exact amount expended cannot be reported, such an amount as is approximately correct should be reported. If there have been no such expenditures the word "None" should be written in the columns headed "Entire Plant" and "In West Va."

	PERMANENT IMPROVEMENTS		ENTIRE PLANT		IN WEST VA.	
	Expenditures for additions and new work for the year ending December 31. <i>Fully itemize, and do not include any part of the amount reported as operating and maintenance expense.</i>		Dollars	Cts.	Dollars	Cts.
New Lines, Pipe, Fittings, etc.			179,645.57			
Pipe & Equipment in Gas Wells			185,898.38			
Leaseholds			4,574.72			
Telegraph & Telephone Lines			269.42			
Natural Gas Meters			4,757.52			
Measuring Stations			1,573.47			
Compressing Stations			259,068.24			
Office Furniture			387.79			
Buildings			5,011.46			
Gasoline			120,728.74			
Oil Investment			23,912.22			
Drilling & Cleaning Out Tools			19,655.56			
Teaming			6,218.18			
Coal			61,655.84			
Total			870,210.19			



# Reserve Report Bd. Pub. Wks., W. Va. Ex. -2

Form No. 5.

## Gas and Oil:

A part of the report of ----- **Reserve Gas** ----- Company,

This sheet is intended to show the size, length and time in use, only, of the pipe line owned, leased or operated by the company making this report.

A complete statement showing the different sizes of pipe, the number of miles of each size and the average time in use, should be made on this sheet. Nothing else should be reported hereon.

SIZE	MILES IN WEST VIRGINIA	MILES OUTSIDE WEST VIRGINIA	TIME USED
2"	32.642	None	15.74 Yrs.
3"	51.207	"	11.40 "
4"	55.229	"	6.65 "
5-3/16"	8.875	"	4.60 "
6"	151.895	"	5.62 "
6 1/2"	2.552	"	2.98 "
6-5/8"	7.262	"	4.30 "
8"	15.324	"	7.32 "
8 1/2"	.814	"	8.64 "
10"	56.781	"	7.33 "
12"	90.756	"	10.58 "
16"	68.687	"	5.93 "
18"	3.620	"	5.63 "
20"	.010	"	9.00 "
24"	.017	"	3.84 "

TOTAL MILEAGE. 525.676

PAGE 6

# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12.

Form No. 9

## Gas and Oil

A part of the report of -----, Company.

### Reserve Gas

How many acres of undeveloped gas leases are controlled by the Company making this report?

Total in all states ----- 4,663,875

In West Virginia ----- 4,663,875

How many acres of developed gas leases?

Total in all states ----- 51,467,82

In West Virginia ----- 51,467,82

How many producing gas wells were owned at the beginning of the year?

Total in all states ----- 698

In West Virginia ----- 698

How many producing gas wells were drilled during the year?

Total in all states ----- 51

In West Virginia ----- 51

How many "dry" wells were drilled during the year?

Total in all states ----- 1

In West Virginia ----- 1

How many gas wells were purchased during the year?

Total in all states ----- 4

In West Virginia ----- 4

How many gas wells were abandoned during the year?

Total in all states ----- 4

In West Virginia ----- 4

How many gas wells were sold during the year?

Total in all states ----- 4

In West Virginia ----- 4

How many producing gas wells were owned at the end of the year?

Total in all states ----- 735

In West Virginia ----- 735

How many gas wells were in use at the end of the year?

Total in all states ----- Don't know

In West Virginia ----- "

What was the average rock pressure for the year of the gas wells owned?

Total in all states ----- "

In West Virginia ----- "

What was the total daily capacity at the end of the year of the gas wells owned?

Total in all states ----- "

In West Virginia ----- "

What was the total average daily delivery of gas, from wells owned, for the year?

Total in all states ----- 77,654

In West Virginia ----- 77,654



# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12

Form No. 6-A

## Gas and Oil

A part of the report of \_\_\_\_\_ Reserve Gas \_\_\_\_\_ Company.

If this company sells gas directly to consumers, how many does it supply?

Free Consumers

326

Total number in all states

53

Industrial

521

Domestic

326

In West Virginia

53

Industrial

521

Domestic

521

To what cities and towns is gas supplied? Wilsonburg, Camden, Reynoldsville and Country

Dis tribu ts

To what gas companies, if any, is gas sold? Union Natural Gas Corp'n. and Hope Natural Gas Co

How many cubic feet of gas were sold during the year?

22,179,819 M cu. ft

Total number in all states

20,864,621

To other gas companies

20,864,621

Name of company

Same as above

To industrial consumers 1,235,769 M cu. ft

78,429

To domestic consumers

In West Virginia

20,864,621

To other gas companies

Name of company

Union Natural Gas Corporation

Hope Natural Gas Company

To industrial consumers 1,235,769 M cu. ft

78,429

To domestic consumers

What was the average price per thousand cubic feet received for gas sold during the year?

.0922 cents

Total in all states

To other gas companies

Name of company

.0879

Same as above

To industrial consumers

.1500

To domestic consumers

.2431

In West Virginia

To other gas companies

.0879

Name of company

Same as above

To industrial consumers

.1500

To domestic consumers

.2431

PAGE 8.

# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12.

Form No. 8-B.

## Gas and Oil

Reserve Gas

Company.

A part of the report of

If this company purchases gas, from whom or what company or companies does it purchase?

See List Attached

If this company purchases gas, how many cubic feet were purchased during the year?

Total number in all states

From other gas companies.

Name of Companies.

Weston Carbon Co.

H. H. Edinger

Swing Oil Co.

From all other sources.

Total in West Virginia.

From other gas companies.

Name of Companies.

Weston Carbon Co.

H. H. Edinger

Swing Oil Co.

From all other sources.

If this company purchases gas, what was the average price per thousand cubic feet

paid for same?

Total in all states

To other gas companies.

Name of Companies.

Weston Carbon Co.

H. H. Edinger

Swing Oil Co.

To other persons or individuals.

In West Virginia.

To other gas companies.

Name of Companies.

Weston Carbon Co.

H. H. Edinger

Swing Oil Co.

To other persons or individuals.

If this company has pipe lines leading from this state to other states, give the number of such lines, and the size of pipe used and the quantity of gas piped, for the year ending December 31st.

No. cubic feet piped.

Size of Pipe.

State to which piped.

2

16"

15,424,719 M cu. ft.

Ohio

If this company has pipe lines leading from other states to this state, give the number of such lines, and size of pipe used and the quantity of gas piped, for the year ending December 31st.

No. cubic feet piped.

Size of Pipe.

State from which piped.

None

None

No.

None

Does this company pipe gas through its lines for other persons or companies?

No.

Yes

Does this company own any real estate which is used in connection with its gas business?

If so, of what does it consist? Sites for Compressing Stations.

# Reserve Report Bd. Pub. Wres., W. Va. Ex. 12.

Form No. 8-U.

## Public Utility

A part of the report of Reserve Gas ----- Company

On this sheet and on the following sheets designated "Form No. 8 U.—Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

1920

## WEST VA.

### COMPANIES & INDIVIDUALS FROM WHOM GAS WAS PURCHASED

H. H. Edinger  
 Weston Carbon Company  
 Broadus College  
 T. A. Whelan  
 Linn S. Horner, Trustee  
 Louis Bennett  
 Swing Oil Company  
 L. Stephens  
 Sunburn Oil & Gas Company  
 Hope Natural Gas Company

# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12

Form No. 7

## Gas and Oil

A part of the report of.....	Reserve Gas	Company.
How many acres of undeveloped oil leases are controlled by the company making this report?		
Total.....	Don't know of any	
In West Virginia.....	"	
How many acres of developed oil leases?		
Total.....		87.50
In West Virginia.....		87.50
How many producing oil wells were owned at the beginning of the year?		7
Total.....		7
In West Virginia.....		
How many producing oil wells were drilled during the year?		2
Total.....		2
In West Virginia.....		1
How many oil wells were abandoned during the year?		1
Total.....		1
In West Virginia.....		12
How many producing oil wells were owned at the end of the year?		12
Total.....		12
In West Virginia.....		17.17
What was the total average daily production of oil for last year?		17.17
Total.....		29.89
In West Virginia.....		29.89
What was the total average daily production of oil for this year?		702.17
Total.....		702.17
In West Virginia.....		10,906.13
What was the total production of oil for the month of December, this year?		10,906.13
Total.....		4.17
In West Virginia.....		4.17
What was the average price per barrel received for oil sold during the year?		No
Total.....		"
In West Virginia.....		No
If this company transports oil through its pipe lines for other persons or companies, how many barrels were transported for the year, for such other persons or companies?		"
Total.....		"
In West Virginia.....		"
What does this company charge for transporting oil through its pipe lines?		"

PAGE 10.

# Reserve Report Bd. Pub. Wks., W. Va. Ex. 12.

Form No. 8-U.

## Public Utility

A part of the report of -----  
Reserve Gas -----  
 Company

On this sheet and on the following sheets designated "Form No. 8 U.—Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

## Condensed Summary of Pages 11-29 Valuations filed by the Board of Public Works are also shown.

District	Acreage of Gas and Oil Territory	Number of Wells	Miles of Pipe Line	Total Value all Property Returned Assessed by Company Bd. of Pub. Wks.
<u>DODDRIIDGE COUNTY</u>				
Cove	-	-	18.72	\$ 138,751.27
South West	60.00	-	15.86	117,931.28
	60.00	-	34.58	\$ 256,682.55
				\$ 367,773.39
<u>HARRISON COUNTY</u>				
Clark	3,962.03	55	22.29	\$ 210,052.53
Coal	2,564.81	48	33.65	813,053.45
Grant	641.50	11	3.44	33,131.28
Ten Mile	-	-	1.96	2,613.15
Union	15,665.31	225	84.27	903,861.22
	22,853.65	339	145.61	\$1962,711.63
				\$2796,897.08
<u>LEWIS COUNTY</u>				
Court House	3,757.38	61	22.62	\$ 212,840.76
Town of Weston	-	-	-	99,915.38
Freeman's Creek	28,454.61	320	207.36	2915,284.89
Harkers Creek	993.85	15	5.81	54,988.50
	33,205.84	396	235.79	\$3283,029.53
				\$4678,617.08
<u>PLEASANTS COUNTY</u>				
Grand	-	-	9.09	\$ 85,023.60
Jefferson	-	-	13.93	113,542.51
	-	-	23.02	\$ 198,566.11
				\$ 282,956.71
<u>PUTCHELIE COUNTY</u>				
Town of Ellenboro	-	-	1.37	\$ 10,426.87
Clay	-	-	27.64	206,660.73
Grant	-	-	19.86	146,997.02
Union	-	-	11.11	82,085.27
	-	-	59.98	\$ 446,139.89
				\$ 635,749.34
<u>WOOD COUNTY</u>				
Union	-	-	6.56	\$ 63,014.20
Williams	-	-	12.65	104,007.84
	-	-	19.21	\$ 167,022.04
				\$ 239,006.41
Total	56,119.49	735	518.19	\$6314,151.75
				\$9000,000.00



Public Utility

A part of the report of the

Reserve Gas

Company.

EXPLANATORY REMARKS

The Unit prices used on pipe and materials are approximately those approved some years ago by Tax Commissioners Townsend and Dillon; the same prices substantially have been used each year since that time, and have formed a fair guide, together with a relatively equal rate on leaseholds for several years, for the division of taxes if not for the ascertainment of true and actual value of unit prices in a going concern.

State of Pennsylvania

County of Allegheny

R. D. Beardley

Treasurer

I, THE UNDERSIGNED, Name of Officer.

Official Title.

of the Reserve Gas Company, on my oath say that the return as shown on this and the foregoing pages of this report, has been prepared from the original books, papers and records of said Company; that I have carefully examined the same, and declare the same and each page thereof to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth, and that all property has been reported at its *True and Actual Value* to the best of my knowledge, information and belief; the words "true and actual value" being understood by me to mean that price for which the before-mentioned property would sell if voluntarily offered for sale upon such terms as such property is usually sold and not the price which might be realized if said property was sold at a forced sale, and that there have been no expenditures for "additions and new work" either within or without the State of West Virginia except as shown on Form No. 4 U. of this report; and that the foregoing return includes all property owned, leased, or operated in the State of West Virginia by said Company during the period for which said return is made.

R. D. Beardley

Treasurer

Official Title.

SUBSCRIBED AND SWORN TO before me  
this 25th day of March 1920

O. A. Kinley,

My Commission Expires March 25, 1921.

Notary Public

(The return must be verified on the oath of the President, Vice-President, Secretary or Principal Accounting Officer.)

PAGE.....



## ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 1-U.

## Public Utility:

Carnegie Natural Gas Company.

A part of the report of the-----

Carnegie Natural Gas

Carnegie Natural Gas Company

1. Name of company making this report-----

2. Nature of company, whether person or persons, association or corporation-----

Corporation

3. Organized under the laws of what state-----

Pennsylvania

4. Location of Principal Office-----

Pittsburgh, Pa.

5. Location of Principal Place of Business in West Virginia-----

Houndsville, Marshall Co., W. Va.

6. Name of President and his address in full-----

D. M. Clenson,

Carnegie Building, Pittsburgh, Pa.

7. Name of Secretary and his address in full-----

W. W. Blackburn.

Carnegie Building, Pittsburgh, Pa.

8. Name of General Manager and his address in full-----

S. W. Meala.

Carnegie Building, Pittsburgh, Pa.

9. Name of Chief Officer or Managing Agent in W. Va., and his address in full-----

10. Name of Tax Agent and his address in full-----

None

11. Name and full address of officer to whom correspondence regarding this report should be addressed-----

Pittsburgh, Pa.

(Address)

Auditor

(Title)

H. L. Smith  
(Name)

12. Date of annual meeting of stockholders-----

Second Tuesday in February

13. The books of the company are closed for the year on what date-----

December 31st.

14. If a consolidated company, name the constituent companies-----

REMARKS.

# Carnegie Report Bd. Pub. Wks., W. Va. Ex. 13

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 2-U

## Public Utility.

Company.

A part of the report of Carolegia Natural Gas -----

What is the amount of the authorized capital stock? ----- \$ 300,000.00

How much of the capital stock has been issued? ----- \$ 300,000.00

How many shares of common stock issued? ----- \$ 5,000

How many shares of preferred stock issued? ----- \$ None

What is the par value, per share, of the common stock? ----- \$ 50.00

What is the par value, per share, of the preferred stock? ----- \$ Not on Market

What is the market value, per share, of the common stock? ----- \$ -

What is the market value, per share, of the preferred stock? ----- \$ -

If stock is not on the market, at what is it valued per share? ----- \$ All

How much of the stock was paid for in cash? -----

What was the consideration for stock issued, but not paid for in cash? -----

If any part of the stock was not paid for in cash, was the consideration equivalent to cash? -----

How much bonus stock, if any, was issued? ----- \$ None

If stock is not worth par, how do you account for the fact that it is not? -----

## FUNDED DEBT

FOR WHAT ISSUED	Date of Maturity	Principal Outstanding Dollars	Rate of Interest	Total Market or Actual Value on December 31 Dollars
<u>None</u>				
<u>Totals</u>				

## UNFUNDED DEBT

FOR WHAT INCURRED	Amount
<u>Current Accounts Payable</u>	<u>1,302,098.33</u>
<u>Totals</u>	

Accounts receivable, December 31, ----- \$ 395,412.01

This company began business or was acquired by the present owners or operators March 10th, 1885  
and licensed to transmit business in West Virginia, April 13th, 1909 (or)

Investment. (By present owners.) -----

Stock issued (money value) ----- \$ 300,000.00

Amount realized from sale of bonds ----- \$ None

Earnings put into plant ----- \$ 4,245,238.00

Total investment or cost (entire plant) ----- \$ 4,545,238.00

What is the actual cost of that part of the plant which is situate in West Virginia,  
including property of all kinds? Cannot tell. did not keep separate record

What would be the approximate cost of reproducing the entire plant new? Cannot tell

What would be the approximate cost of reproducing that part of the plant which is  
situated in West Virginia? ----- \$ "

What is the total value of the entire plant, as shown by the books of the Company? ----- \$ 4,545,238.00

What is the value of that part of the plant situate in West Virginia, as shown by the  
books of the Company? ----- \$ No Separate Account kept.

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 3-U.

## Public Utility.

A part of the report of Carnegie Natural Gas Company.

What were the total gross earnings (including all sums earned or charged, whether actually received or not, and its proportion of the gross receipts for business done by it in connection with other companies or firms), of the Company, Co-partnership, Association or Corporation making this report, for the year ending

December 31, ----- in all States? \$3,316,055.77

----- in West Virginia ----- \$2,345,970.96

How much of the gross earnings resulted from business actually done in West Virginia? \$2,345,970.96

How much of the total gross earnings should properly be credited to West Virginia to give the state a fair share of earnings? \$2,345,970.96

If this company operates outside of West Virginia, how, or upon what principle were the earnings apportioned, as between this state and other states? -----

Earnings were charged with estimated amount of gas passing through Pump Stations in West Virginia. Retained for W. Va. - On Ft.

What were the total operating and maintenance expenses including interest and taxes in all states? \$ 3,016,330.80

What were the total operating and maintenance expenses including interest and taxes in West Virginia? \$ 2,261,407.24

("Operating and maintenance expenses" is to be understood to mean the actual expenses of operation, and actual expenditures for maintenance. Expenditures for new work (permanent improvements and additions), and dividends are not to be included as operating expenses.)

If this company operates outside of West Virginia, how, or upon what principle were the operating expenses apportioned as between this state and other states? -----

Operating Expenses shown are annual

What were the net earnings in West Virginia for the year ending December 31, ? \$ 84,563.72

What were the total net earnings, in all states, for the year ending December 31, ? \$ 299,724.97

What dividends were declared during the year on common stock None cent; amount \$ None

What dividends were declared during the year on preferred stock None per cent; amount \$ "

When were the dividends declared on common stock? ----- Preferred Stock? \$ "

Interest paid on Funded Debt during the year ----- \$ None

Interest paid on Unfunded Debt during the year ----- \$ "

(There should appear on each sheet of this report *some* notation to indicate that the information desired or questions asked have not been overlooked. The word "none" may be used against any particular item or items, where that word expresses the *fact*. If, for any reason, for any item, the exact amount cannot be reported, such an amount as is approximately correct must be reported. In such case, refer by note to remainder of the bottom of the sheet, and state in brief, in plain language, the reason why specific data called for cannot be returned *correctly as requested*.)

REMARKS.

PAGE 2.

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# Carnegie Report Bd. Pub. Wks., W. Va. Ex. 13

Form No. 3. U—A.

Gas and Oil.

A part of the report of the Carnegie Natural Gas Company

THE OPERATING AND MAINTENANCE AND OTHER EXPENSES as shown below should not include expenditures for additions to plant, dividends or any amount for depreciation.

Operating and Maintenance Expenses, Interest, Etc., for the year ending December 31, (Fully itemize.)	Entire Plant	West Va.
General Expenses:		
Salaries and Expenses of General Officers.....	\$ 35,498.30	\$ 29,818.57
Salaries and Expenses of General Office Employees.....	48,199.35	28,350.33
Miscellaneous Expenses of General Office (Office Supplies, Etc.).....	33,383.20	23,728.70
Lease Expenses.....	<u>2,258.64</u>	<u>1,913.14</u>
	119,339.49	83,810.74
Prospecting and Lease Expenses:		
Salaries.....	7,352.90	7,052.07
Purchase of Leases.....	4,410.13	2,116.62
Rental of Leases.....	125,045.01	65,135.00
Drilling unproductive Wells.....	<u>290,080.50</u>	<u>223,413.84</u>
	426,888.54	297,717.43
Production Expenses:		
Superintendent and Salaries.....	258,959.68	202,123.93
Royalties.....	198,053.82	153,045.45
Operating Gas Wells.....		
Operating Oil Wells.....	1,084,710.18	837,827.26
Repairs to Gas Wells.....		
Repairs to Oil Wells.....	<u>144,234.64</u>	<u>120,564.36</u>
	1,685,958.02	1,313,561.00
Transportation Expenses:		
Superintendence and Salaries.....	100,498.25	59,119.51
Operating Transportation Lines.....		
Operating Pump Stations.....	34,234.32	27,687.06
Operating Pressure Stations.....		
Repairs of Transportation Lines.....	109,899.18	94,955.05
Repairs of Pumping Station Equipment.....	<u>49,321.66</u>	<u>35,259.30</u>
	293,953.41	217,020.92
Carried Forward to Form No. 3 U.—A.—Continued	2,526,139.26	1,912,110.09

# Carnegie Report Bd. Pub. Wks., W. Va. Ex. 13

Form No. 3-U.-A.—Continued.

## Gas and Oil.

A part of the report of Carnegie Natural Gas Company.

Brought forward from Form No. 3 U.-A.	\$ 2,526,139.26	\$ 1,912,110.09
Taxes: War Income Tax,	32,491.40	27,292.77
License or Charter Taxes	283.76	283.76
General Property Taxes	88,982.92	75,511.69
Federal Excess Profits Tax	53,507.47	44,945.27
Federal Income Tax	175,265.55	149,034.49
Other Federal Taxes		
Miscellaneous Taxes		
Interest and Discount:		
On Bonds and other Funded Debt		
On Unfunded Debt	109,060.69	27,335.81
Gas Purchased		
Miscellaneous Expense which can not be set out under the above headings:		
(Fully itemize) Do not combine items if by so doing, the total to be entered on any line is in excess of \$5000.)		
(Companies whose total expense for operation and maintenance does not exceed \$5000, may itemize all of such expense hereunder if desired instead of using the form above.)		
A - Depreciation.	205,865.30	172,926.85
* A - Have made charge to our Profit and Loss for 1919 of \$205,865.30 for estimated general depreciation for 1919. \$127,500.00 of which is estimated to be applicable to West Virginia investments as set forth above.		
* B - Opinions differ as to what would be a fair basis. We think average life of wells would be fairest and most equitable basis.		
* C - Uncertainty of the business, abandonment of wells and the rather short life of wells, etc.		
Totals	3,016,330.80	2,261,407.24

What amount, if any, should be charged off for depreciation? \$

B What is considered a fair rate of depreciation?

C What reason can be assigned for a charge-off for depreciation, considering the maintenance expense set out above?



## Form No. 4—U

A part of the report of.....**Carnegie Natural Gas**.....**Company,**

PERMANENT IMPROVEMENTS		ENTIRE PLANT		IN WEST VA.	
Expenditures for additions and new work for the year ending December 31. <i>Fully itemize, and do not include any part of the amount reported as operating and maintenance expense.</i>					
	Dollars	Cts.	Dollars	Cts.	
40" Main Pipe Line,	127,339.	95			
20" Main Pipe Line,	13,552.	03			
Booster Station, Masonstown,	6,295.	03			
Gasoline Plant, Lone Pine,	11,906.	27			
Gasoline Plant, Hundred,	6,914.	83	8,914.	83	
Gasoline Plant, Woodruff,	13,878.	55	<u>13,878.</u>	<u>55</u>	
			181,895.	64	22,793.38
Total					



# Carnegie Report Bd. Pub. Wrs., W. Va. Ex. 13

Form No. 5.

## Gas and Oil:

A part of the report of-----Carnegie Natural Gas-----Company,

This sheet is intended to show the size, length and time in use, only, of the pipe line owned, leased or operated by the company making this report.

A complete statement showing the different sizes of pipe, the number of miles of each size and the average time in use, should be made on this sheet. Nothing else should be reported hereon.

SIZE	MILES IN WEST VIRGINIA	MILES OUTSIDE WEST VIRGINIA	TIME USED
1"	2.696	.275	
2"	51.227	12.779	
3"	82.104	27.408	
4"	80.695	21.680	
5"	.043	3.143	
6"	91.764	56.494	
8"	21.794	33.601	
10"	86.060	57.742	
12"	95.296	97.302	
16"	-	79.916	
20"	-	11.381	
24"	-	23.375	
40"	-	9.000	

TOTAL MILEAGE. 511.669

434.086

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Form No. 6

## Gas and Oil

A part of the report of Carnegie Natural Gas, Company.

How many acres of undeveloped gas leases are controlled by the Company making this report?

Total in all states..... 89,108

In West Virginia..... 45,171

How many acres of developed gas leases?

Total in all states..... 70,817

In West Virginia..... 33,921

How many producing gas wells were owned at the beginning of the year?

Total in all states..... 774

In West Virginia..... 542

How many producing gas wells were drilled during the year?

Total in all states..... 71

In West Virginia..... 52

How many "dry" wells were drilled during the year?

Total in all states..... 23

In West Virginia..... 17

How many gas wells were purchased during the year?

Total in all states..... None

In West Virginia..... None

How many gas wells were abandoned during the year?

Total in all states..... 28

In West Virginia..... 23

How many gas wells were sold during the year?

Total in all states..... None

In West Virginia..... None

How many producing gas wells were owned at the end of the year?

Total in all states..... 817

In West Virginia..... 571

How many gas wells were in use at the end of the year?

Total in all states..... 809

In West Virginia..... 530

What was the average rock pressure for the year of the gas wells owned?

Total in all states..... No Record kept

In West Virginia..... "

What was the total daily capacity at the end of the year of the gas wells owned?

Total in all states..... "

In West Virginia..... "

What was the total average daily delivery of gas, from wells owned, for the year?

Total in all states..... "

In West Virginia..... "

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**Carnegie Report Bd. Pub. Wks., W. Va. Ex. 13**

Form No. 6-B.

**Gas and Oil**

A part of the report of Carnegie Natural Gas Company

If that company purchases gas, from whom or what company or companies does it purchase?-----

If this company purchases gas, how many cubic feet were purchased during the year?  
 Total number in all states 779,868,968  
 From other gas companies.  
 Name of Companies.

<u>Equitable Gas Company</u>	<u>45,522,000</u>
<u>Peoples Natural Gas Company</u>	<u>116,279,900</u>
<u>Imperial Oil &amp; Gas Company</u>	<u>262,163,565</u>
<u>W. H. Eddy Oil Company</u>	<u>28,553,264</u>
From all other sources.	<u>325,351,132</u>
Total in West Virginia	<u>334,356,371</u>
From other gas companies. Name of Companies.	

<u>Imperial Oil &amp; Gas Company</u>	<u>262,163,565</u>
<u>W. H. Eddy Company</u>	<u>28,553,264</u>

From all other sources-----  
 If this company purchases gas, what was the average price per thousand cubic feet paid for same?-----  
 Total in all states .14 cents

To other gas companies.  
 Name of Companies.

	<u>.183</u>
	"
	"
	"

To other persons or individuals-----  
 In West Virginia-----  
 To other gas companies.  
 Name of Companies.

	<u>.10</u>
	<u>.08</u>
	<u>.079</u>
	"
	"
	"
	"
	<u>.10</u>

To other persons or individuals-----  
 If this company has pipe lines leading from this state to other states, give the number of such lines, and the size of pipe used and the quantity of gas piped, for the year ending December 31st,  
 Number. Size of Pipe. No. cubic feet piped. State to which piped.

<u>4</u>	<u>10</u>	<u>5,447,807,000</u>	<u>Penna.</u>
<u>2</u>	<u>12</u>	<u>4,367,493,000</u>	

If this company has pipe lines leading from other states to this state, give the number of such lines, and size of pipe used and the quantity of gas piped, for the year ending December 31st,  
 Number. Size of Pipe. No. cubic feet piped. State from which piped.

Does this company pipe gas through its lines for other persons or companies? No  
 Does this company own any real estate which is used in connection with its gas business? Yes

If so, of what does it consist?-----All properties are listed on Form 8-U.

# Carnegie Report Bd. Pub. Wrs., W. Va. Ex. 13

Form No. 7

## Gas and Oil

A part of the report of ----- Carnegie Natural Gas ----- Company.

How many acres of undeveloped oil leases are controlled by the company making this report?

Total ----- None: Acreage held is supposed to be Gas Territory -----

In West Virginia ----- " " " " -----

How many acres of developed oil leases?

Total ----- 11,495.75 -----

In West Virginia ----- 10,797.75 -----

How many producing oil wells were owned at the beginning of the year?

Total ----- 105 -----

In West Virginia ----- 101 -----

How many producing oil wells were drilled during the year?

Total ----- 38 -----

In West Virginia ----- 31 -----

How many oil wells were abandoned during the year?

Total ----- None -----

In West Virginia ----- None -----

How many producing oil wells were owned at the end of the year?

Total ----- 143 -----

In West Virginia ----- 132 -----

What was the total average daily production of oil for last year?

Total ----- 328,249 -----

In West Virginia ----- 275,025 -----

What was the total average daily production of oil for this year?

Total ----- 383,202 -----

In West Virginia ----- 340,515 -----

What was the total production of oil for the month of December, this year?

Total ----- 10,627.19 -----

In West Virginia ----- 9,348.08 -----

What was the total production of oil for the year?

Total ----- 125,769 -----

In West Virginia ----- 111,189 -----

What was the average price per barrel received for oil sold during the year?

Total ----- 433 -----

In West Virginia ----- 433 -----

If this company transports oil through its pipe lines for other persons or companies, how many barrels were transported for the year, for such other persons or companies?

Total ----- None -----

In West Virginia ----- " -----

What was the total number of barrels of oil transported through the pipe lines of this company for the year?

Total ----- None -----

In West Virginia ----- " -----

What does this company charge for transporting oil through its pipe lines? ----- None Transported -----

PAGE 10.



Form No. 8-U.

## Public Utility

A part of the report of ----- Carnegie Natural Gas ----- Company

On this sheet and on the following sheets designated "Form No. 8 U.—Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

Condensed Summary of Pages 11-39  
Valuations fixed by the Board of Public Works are also shown.

District	Acres of Gas and Oil Territory	Number of Wells	Miles of Pipe Line	Total Value all Property Returned by Company	Assessed by Bd. of Public Works
<u>CALHOUN COUNTY</u>					
Sherman	134.75	-	-	\$ 1,681.86	\$ 1,681.86
Lee	100.00	-	-	100.00	100.00
	234.75	-	-	\$ 1,781.86	\$ 1,781.86
<u>DODDRIEGE COUNTY</u>					
Central	866.00	22	5.09	\$ 76,708.29	\$ 115,204.00
Cove	328.00	1	-	1,928.00	3,678.00
Grant	300.00	7	7.16	44,691.51	56,941.01
McClelland	4,894.50	58	38.40	225,315.38	326,805.38
New Milton	451.50	-	-	451.50	451.50
South West	5,135.00	22	8.98	56,818.79	95,318.79
West Union	662.50	9	9.27	50,237.09	55,987.09
	13,638.50	119	68.90	\$ 456,150.56	\$ 664,385.77
<u>GILMER COUNTY</u>					
Center	7,950.00	7	-	\$ 22,239.09	\$ 34,489.09
DeKalb	924.37	-	-	924.37	924.37
Glenville	2,146.00	-	-	2,146.00	2,146.00
Troy	1,772.50	3	-	6,572.85	11,822.85
	12,792.87	10	-	\$ 31,862.31	\$ 49,382.31
<u>HARRISON COUNTY</u>					
Clark	-	-	.95	\$ 6,361.90	\$ 6,361.90
Clay	122.00	3	2.85	8,864.12	14,114.12
Coal	-	-	1.74	11,625.70	11,625.70
Eagle	1,537.75	38	25.73	174,787.59	240,287.57
Grant	22.00	1	4.71	27,954.80	29,704.80
Sardis	880.50	22	11.66	88,779.27	127,279.27
Union	24.00	2	10.44	48,554.78	52,054.78
	2,586.25	66	58.08	\$ 366,929.16	\$ 481,429.14
<u>LEWIS COUNTY</u>					
Freeman's Creek	3,529.00	10	4.25	\$ 22,947.05	\$ 40,447.05
Hackers Creek	792.00	16	9.43	49,543.43	77,043.43
	4,321.00	26	13.68	\$ 72,490.48	\$ 117,490.48
<u>MARION COUNTY</u>					
Fairmont	200.00	2	.07	\$ 3,272.68	\$ 6,772.68
Grant	200.00	1	1.96	3,574.04	5,324.04
Lincoln	1,342.50	30	40.59	314,551.66	366,051.66
Mannington	5,122.25	53	31.22	198,288.95	291,038.95
Paw Paw	1,773.00	19	18.80	72,794.77	105,044.77
	8,637.75	105	92.64	\$ 592,482.10	\$ 775,232.10



# Carnegie Report Bd. Pub. Wks., W. Va. Ex. 13

FORM NO. 8—U CONTINUED

## PUBLIC UTILITY

A part of report of-----Carnegie Natural Gas-----Company.

### MARSHALL COUNTY

Cameron	558.00	2	-	\$	12,501.01	\$	16,001.01
Liberty	2,443.00	49	28.35		239,713.52		325,463.52
Meads	291.00	-	-		1,259.39		1,259.39
Webster	630.00	-	-		630.00		630.00
	3,922.00	51	28.35	\$	254,103.92	\$	343,353.92

### MONONGALIA COUNTY

Battelle	1,555.00	16	10.57	\$	68,152.15	\$	95,652.15
Cass	169.00	2	7.45		41,077.94		44,577.94
Clay	2,622.50	28	22.67		154,792.45		203,792.45
Grant	3,301.25	10	7.94		35,246.51		52,746.51
	7,647.75	56	48.63	\$	299,269.05	\$	395,769.05

### HITCHIE COUNTY

Olney	3,866.50	48	29.80	\$	181,320.10	\$	264,320.10
Murphy	265.00	2	-		4,083.20		7,583.20
Union	8,372.00	13	7.04		47,292.80		70,042.80
	12,503.50	63	36.84	\$	232,696.10	\$	341,946.10

### TYLER COUNTY

Centerville	2,066.25	27	19.97	\$	100,312.60	\$	147,562.60
Ellsworth	1,392.00	9	5.92		34,233.33		49,983.55
McElroy	969.00	9	14.61		86,188.14		101,938.14
Meads	500.00	-	-		500.00		500.00
	4,927.25	45	40.50	\$	221,234.27	\$	299,984.29

### WETZEL COUNTY

Center	1,007.00	3	5.09	\$	29,566.83	\$	34,816.83
Clay	3,165.75	18	11.54		65,751.90		97,251.90
Church	4,635.50	91	58.05		536,499.41		695,749.41
Grant	5,588.75	48	41.19		320,467.46		404,467.46
Greene	772.50	2	8.20		41,615.38		45,115.38
Proctor	1,844.00	-	-		1,844.00		1,844.00
	17,013.50	162	124.07	\$	995,744.96	\$	1,279,244.93

Total, 88,225.12 703 511.69 \$3,524,764.79 \$ 4,750,000.00

## Public Utility.

A part of the report of the Carnegie Natural Gas Company.

## EXPLANATORY REMARKS

State of Pennsylvania }  
 County of Allegheny }

I, THE UNDERSIGNED, H. L. Smith  
 Name of Officer.

Auditor  
 Official Title.

of the Carnegie Natural Gas Company, on my oath say that the return as shown on this and the foregoing pages of this report, has been prepared from the original books, papers and records of said Company; that I have carefully examined the same, and declare the same and each page thereof to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth, and that all property has been reported at its *True and Actual Value*, to the best of my knowledge, information and belief; the words "true and actual value" being understood by me to mean that price for which the before-mentioned property would sell if voluntarily offered for sale upon such terms as such property is usually sold and not the price which might be realized if said property was sold at a forced sale, and that there have been no expenditures for "additions and new work" either within or without the State of West Virginia except as shown on Form No. 4 U. of this report; and that the foregoing return includes all property owned, leased, or operated in the State of West Virginia by said Company during the period for which said return is made.

H. L. Smith

Add to R.

Official Title.

SUBSCRIBED AND SWORN TO before me  
 this 31st day of March, 1920.

Henry T. Hamilton

My Commission Expires March 3, 1923.

Notary Public.

(The return must be verified on the oath of the President, Vice-President, Secretary or Principal Accounting Officer.)

PAGE -----

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 1-U.

**Public Utility:**A part of the report of the Columbia Gas and Electric Company.

1. Name of company making this report Columbia Gas and Electric Company
2. Nature of company, whether person or persons, association or corporation Corporation
3. Organized under the laws of what state West Virginia
4. Location of Principal Office Charleston, West Va.
5. Location of Principal Place of Business in West Virginia Charleston, West Va.
6. Name of President and his address in full A. B. Leach  
62 Cedar Street, New York City
7. Name of Secretary and his address in full Polk Laffoon  
S. W. Cox, 4th & Plum Sts., Cincinnati, O.
8. Name of General Manager and his address in full \_\_\_\_\_
9. Name of Chief Officer or Managing Agent in W. Va., and his address in full \_\_\_\_\_  
R. G. Altizer Charleston, West Va.
10. Name of Tax Agent and his address in full \_\_\_\_\_  
R. G. Altizer, Charleston, West Va.
11. Name and full address of officer to whom correspondence regarding this report should be addressed  
Polk Laffoon Sec'y, Treas. 4th & Plum, Cincinnati, O.  
(Name) (Title) (Address)
12. Date of annual meeting of stockholders Last Saturday in March
13. The books of the company are closed for the year on what date December 31st.
14. If a consolidated company, name the constituent companies \_\_\_\_\_

**REMARKS.**

This report includes not only the property of the Columbia Gas and Electric Company, but also that of the Cincinnati Gas Transportation Company, a West Virginia Corporation, all the property of the latter being operated by the Columbia Gas and Electric Company as lessee.

**Columbia G. & E. Report Bd. Pub. Wks., W. Va. Ex. 14**

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 2-U

**Public Utility.**

A part of the report of Columbia Gas and Electric Company.

What is the amount of the authorized capital stock? \$ 50,000,000  
 How much of the capital stock has been issued? \$ 50,000,000  
 How many shares of common stock issued? \$ 500,000  
 How many shares of preferred stock issued? \$  
 What is the par value, per share, of the common stock? \$ 100.00  
 What is the par value, per share, of the preferred stock? \$  
 What is the market value, per share, of the common stock? \$ 62.50  
 What is the market value, per share, of the preferred stock? \$  
 If stock is not on the market, at what is it valued per share? \$  
 How much of the stock was paid for in cash? \$  
 What was the consideration for stock issued, but not paid for in cash? \$

**Stock issued for property & securities in other companies.**

If any part of the stock was not paid for in cash, was the consideration equivalent to cash? Yes

How much bonus stock, if any, was issued? All issued as above \$

If stock is not worth par, how do you account for the fact that it is not? \$

**FUNDED DEBT**

FOR WHAT ISSUED	Date of Maturity	Principal Outstanding Dollars	Rate of Interest	Total Market or Actual Value on December 31 Dollars
Property & securities acquired	1927	13,877,000	5 1/2	87% of Par
<b>Total</b>				

**UNFUNDED DEBT**

FOR WHAT INCURRED	Amount
Stocks acquired	2,617,168.35 5%
<b>Total</b>	

Accounts receivable, December 31. \$ 315,538.33

This company began business or was acquired by the present owners or operators. (month) January (day) first (year) 1907

Investment. (By present owners.)  
 Stock issued (money value) \$  
 Amount realized from sale of bonds \$  
 Earnings put into plant \$

Total investment or cost (entire plant) \$  
 What is the actual cost of that part of the plant which is situated in West Virginia, including property of all kinds? \$ 3,952,954.85

What would be the approximate cost of reproducing the entire plant new? \$  
 What would be the approximate cost of reproducing that part of the plant which is situated in West Virginia? \$

What is the total value of the entire plant, as shown by the books of the Company? \$ 6,003,254.94  
 What is the value of that part of the plant situated in West Virginia, as shown by the books of the Company? \$

\*Note: These figures represent book value only, from which actual depreciation has not been deducted.

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 3—U.

**Public Utility.**A part of the report of ----- **Columbia Gas and Electric** ----- Company.

What were the total gross earnings (including all sums earned or charged whether actually received or not, and its proportion of the gross receipts for business done by it in connection with other companies or firms), of the Company, Co-partnership, Association or Corporation making this report, for the year ending

December 31, ----- in all States? \$ **5,847,942.58**

----- in West Virginia? \$ **Cannot divide**

How much of the gross earnings resulted from business actually done in West Virginia? \$ **Cannot divide**

How much of the total gross earnings should properly be credited to West Virginia to give the state a fair share of earnings? \$ **3,070,958.79**

If this company operates outside of West Virginia, how, or upon what principle were the earnings apportioned, as between this state and other states? -----

----- **cannot divide** -----

What were the total operating and maintenance expenses including interest and taxes in all states? ----- \$ **3,320,702.13**

What were the total operating and maintenance expenses including interest and taxes in West Virginia? ----- \$ **2,673,220.75**

("Operating and maintenance expenses" is to be understood to mean the actual expenses of operation, and actual expenditures for maintenance. Expenditures for new work (permanent improvements and additions), and dividends are not to be included as operating expenses.)

If this company operates outside of West Virginia, how, or upon what principle were the operating expenses apportioned as between this state and other states? -----

What were the net earnings in West Virginia for the year ending December 31, ? \$ **397,738.04**

What were the total net earnings, in all states, for the year ending December 31, ? \$ **2,527,240.38**

What dividends were declared during the year on common stock? **4** per cent; amount \$ **2,000,000.00**  
15th Feb.-May-Aug-Nov

What dividends were declared during the year on preferred stock? ----- per cent; amount \$ -----

When were the dividends declared on common stock? ----- Preferred Stock? \$ -----

Interest paid on Funded Debt during the year ----- \$ **583,763.61**

Interest paid on Unfunded Debt during the year ----- \$ **130,825.00**

(There should appear on each sheet of this report some notation to indicate that the information desired or questions asked have been answered, and that the answers are true and correct. If, for any reason, the exact amount cannot be reported, such an amount as is approximately correct must be reported. In such case, refer by note to "remarks" at the bottom of the sheet on which a deviation occurs, where a brief explanation should be given why specific data called for cannot be returned exactly as requested.)

REMARKS.

PAGE 3.



**Columbia G. & E. Report Bd. Pub. Wks., W. Va. Ex. 14**

Form No. 3. U—A.

Gas and Oil.

A part of the report of the Columbia Gas and Electric Company

THE OPERATING AND MAINTENANCE AND OTHER EXPENSES as shown below should not include expenditures for additions to plant, dividends or any amount for depreciation.

Operating and Maintenance Expenses, Interest, Etc., for the year ending December 31, (Fully itemize.)	Entire Plant	West Va.
General Expenses:		
Salaries and Expenses of General Officers	\$ 26,050.02	\$ 26,050.02
Salaries and Expenses of General Office Employees		
Miscellaneous Expenses of General Office (Office Supplies, Etc.)	2,640.73	2,640.73
Legal Expenses	6,512.61	6,512.61
Relief and Pensions	988.24	988.24
Injuries and Damages	259.74	259.74
Expense General	28,077.59	28,077.59
Prospecting and Lease Expenses:		
Salaries and Expenses	5,021.67	5,021.67
Purchase of Leases		
Rental of Leases	19,621.84	19,621.84
Drilling unproductive Wells		
Production Expenses:		
Superintendent and Salaries	11,617.73	11,617.73
Royalties	58,627.21	58,627.21
Operating Gas Wells and Field Lines	32,342.56	32,342.56
Operating Oil Wells		
Repairs to Gas Wells and Field Lines	23,751.83	23,751.83
Repairs to Oil Wells		
Transportation Expenses:		
Superintendence and Salaries	2,087.96	2,087.96
Operating Transportation Lines	14,262.25	14,262.25
Operating Pump Stations	6,458.22	6,458.22
Operating Pressure Stations	59,826.17	59,826.17
Repairs of Transportation Lines	52,239.77	52,239.77
Repairs of Pumping Station Equipment	54,568.91	54,568.91
Carried Forward to Form No. 3 U—A.—Continued	404,975.05	404,975.05



**Columbia G. & E. Report Bd. Pub. Wks., W. Va. Ex. 14**

Form No. 3—U—A—Continued

**Gas and Oil.**

A part of the report of Columbia Gas and Electric Company.

Brought forward from Form No. 3 U.—A.	\$	404,975.05	\$	404,975.05
<b>Taxes:</b>				
License or Charter Taxes		8,630.00		8,630.00
General Property Taxes		135,107.40		65,825.81
Federal Excess Profits Tax				
Federal Income Tax		28,542.23		28,542.23
Other Federal Taxes (Capital Stock)		17,814.21		17,814.21
Miscellaneous Taxes		13,401.48		13,098.53
<b>Interest and Discount:</b>				
On Bonds and other Funded Debt		583,763.61		583,763.61
On Unfunded Debt		130,825.00		130,825.00
Gas Purchased		600,966.84		600,966.84
Miscellaneous Expense which can not be set out under the above headings:				
(Fully itemize) Do not combine items if by so doing, the total to be entered on any line is in excess of \$5000.)				
(Companies whose total expense for operation and maintenance does not exceed \$5000, may itemize all of such expense hereunder if desired instead of using the form above.)				
<u>Pipe Line Rental</u>		598,229.17		598,229.17
<u>Rental Kentucky Properties</u>		577,898.00		
<u>Sinking Fund</u>		220,529.20		220,529.20
<b>Totals</b>		3,320,702.19		2,673,220.75

What amount, if any, should be charged off for depreciation? \$

\$ 55,727.95

What is considered a fair rate of depreciation?

What reason can be assigned for a charge-off for depreciation, considering the maintenance expense set out above? Obsolescence and depreciation not covered by the maintenance charges.

## Columbia G. &amp; E. Report Bd. Pub. Wks., W. Va. Ex. 14

Form No. 4-U

## Public Utility

A part of the report of.....  
Columbia Gas and Electric Company.

All expenditures for additions and new work during the year for which this report is made should be reported hereon. If, for any reason, the exact amount expended cannot be reported, such an amount as is approximately correct should be reported. If there have been no such expenditures the word "None" should be written in the columns headed "Entire Plant" and "In West Va."

PERMANENT IMPROVEMENTS		ENTIRE PLANT		IN WEST VA.	
Expenditures for additions and new work for the year ending December 31. Fully itemize, and do not include any part of the amount reported as operating and maintenance expense.					
	Dollars	Cts.	Dollars	Cts.	
<b>Wells</b>					
Field Lines	117,324.40		117,324.40		
Trunk Lines	32,191.61		32,191.61		
Compressor Stations	1,231.01		1,231.01		
Gasoline Manufacturing Equipment	60,569.40				
Leases	13,127.22		13,127.22		
Miscellaneous	898.33		898.33		
Total	225,498.51		164,772.57		

# Columbia G. & E. Report Ad. Pub. Wks.. W. Va. Ex. 14

Form No. 5.

## Gas and Oil:

A part of the report of.....Columbia Gas and Electric.....Company,

This sheet is intended to show the size, length and time in use, only, of the pipe line owned, leased or operated by the company making this report.

A complete statement showing the different sizes of pipe, the number of miles of each size and the average time in use, should be made on this sheet. Nothing else should be reported hereon.

SIZE	MILES IN WEST VIRGINIA	MILES OUTSIDE WEST VIRGINIA	TIME USED
<u>LINES LEASED FROM THE CINCINNATI GAS TRANSPORTATION COMPANY</u>			
20"	-	123.50	10-1/2 years
18"	32.70	-	"
12"	14.00	.67	"
10"	1.20	-	"
8"	10.00	1.10	"
	57.90	125.27	"

## LINES OWNED BY THE COLUMBIA GAS AND ELECTRIC COMPANY

1"	.38	From Two Months
1 1/2"	.04	
2"	20.31	to
3"	40.47	
3 1/2"	3.71	10 1/2 Years
4"	23.40	
4-7/8"	.28	
5-3/16"	.55	
5-3/4"	3.52	
6"	20.53	
6 1/4"	3.61	
6-5/8"	.95	
8"	6.21	
10"	.16	
12"	.54	
	124.76	

TOTAL MILEAGE.

182.66

125.27

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**Columbia G. & E. Report Bd. Pub. Wks., W. Va. Ex. 14**

Form No. 6

**Gas and Oil**

A part of the report of Columbia Gas and Electric Company,

How many acres of undeveloped gas leases are controlled by the Company making this report?

Total in all states 220,707

In West Virginia 160,933

How many acres of developed gas leases?

Total in all states 29,237

In West Virginia 26,737

How many producing gas wells were owned at the beginning of the year?

Total in all states 239

In West Virginia 238

How many producing gas wells were drilled during the year?

Total in all states 11

In West Virginia 11

How many "dry" wells were drilled during the year?

Total in all states 1

In West Virginia 1

How many gas wells were purchased during the year?

Total in all states 6

In West Virginia 6

How many gas wells were abandoned during the year?

Total in all states NONE

In West Virginia NONE

How many gas wells were sold during the year?

Total in all states NONE

In West Virginia NONE

How many producing gas wells were owned at the end of the year?

Total in all states 255

In West Virginia 254

How many gas wells were in use at the end of the year?

Total in all states 227

In West Virginia 227

What was the average rock pressure for the year of the gas wells owned?

Total in all states 307 Pds.

In West Virginia 307 Pds.

What was the total daily capacity at the end of the year of the gas wells owned?

Total in all states 121,148,552 cu. ft.

In West Virginia 121,148,552 cu. ft.

What was the total average daily delivery of gas, from wells owned, for the year?

Total in all states 15,547,197

In West Virginia 15,547,197

## Gas and Oil

A part of the report of ----- Columbia Gas and Electric ----- Company.

If this company sells gas directly to consumers, how many does it supply?

Total number in all states

Industrial -----  
 Domestic ----- 330  
 In west Virginia -----

Industrial -----  
 Domestic ----- 286

To what cities and towns is gas supplied? Branckland, Griffiths ville, West Hamlin, Kenova, W. VaPoster, Cold Springs, Dover and Keona, KentuckyTo what gas companies, if any, is gas sold? The Union Gas & Elec. Co. Cintl., O. Union Light, Ht. &Pr. Co., Covington, Ky. Maysville (Ky.) Gas Co., Bracken Co. Gas Co., Foster, Ky.How many cubic feet of gas were sold during the year? Martha Gas Co. Martha, W. Va. 13,272,231 Ms

Total number in all states

To other gas companies ----- 10,233,481 Ms

Name of company The Union Gas and Electric Co.The Union Light Heat & Power Co. ----- 2,690,566 MsMaysville Gas Co. ----- 252,952 MsBracken County Gas Co. ----- 2,522 MsMartha Gas Co. ----- 2,113 Ms

To industrial consumers ----- 49,850 Ms

To domestic consumers ----- 33,747 Ms.

In West Virginia

To other gas companies

Name of company Martha Gas Co. ----- 2,113 Ms

To industrial consumers -----

To domestic consumers -----

What was the average price per thousand cubic feet received for gas sold during the year?

Total in all states ----- cents.

To other gas companies

Name of company The Union Gas and Electric Company ----- .2275The Union Light, Heat & Power Company ----- .229 "Maysville Gas Company ----- .18 "Bracken County Gas Co. ----- .35 "Martha Gas Company ----- .20 and .25 "

----- "

To industrial consumers ----- .10 "

To domestic consumers ----- .203 "

In West Virginia -----

To other gas companies -----

Name of company Martha Gas Company ----- .20 and .25 "

----- "

----- "

----- "

----- "

----- "

----- "

To industrial consumers ----- .10 "

To domestic consumers ----- .203 "



## Gas and Oil

A part of the report of Columbia Gas and Electric Company.

If this company purchases gas, from whom or what company or companies does not purchase? The United Fuel Gas Co., Empire Petroleum Co. Guyan River Coal Co. Li coln Nat. Gas Co. Herman Moore-C.L. Dixon & Co.- Mason & McClure- Nye Development Co. Mill Branch Gas Co. C. J. Henderson- Milton-Randolph-Laurel-Development Co.- Putnam Oil & Gas Co.- West Va. Land & Oil Co. & If this company purchases gas, how many cubic feet were purchased during the year? (Atlas Gas Corp.

Total number in all states. 9,242,428 Ms.From other gas companies.  
Name of Companies.

<u>United Fuel Gas Co.</u>	<u>7,301,649 Ms.</u>
<u>Laurel Development Co.</u>	<u>776,504 Ms.</u>
<u>Empire Petroleum Co.</u>	<u>260,696 Ms.</u>
<u>Putnam Oil and Gas Co.</u>	<u>164,631 Ms.</u>
<u>Lincoln Natural Gas Co.</u>	<u>487,000 Ms.</u>

From all other sources.

Total in West Virginia.

From other gas companies.  
Name of Companies.All of the above

If this company purchases gas, what was the average price per thousand cubic feet paid for same?

Total in all states. 6.043 cents

To other gas companies.

Name of Companies.

<u>The United Fuel Gas Company</u>	<u>7.</u>
<u>Laurel Development Co.</u>	<u>4 &amp; 4 1/4</u>
<u>Empire Petroleum Co.</u>	<u>4 &amp; 5</u>
<u>Putnam Oil &amp; Gas Co.</u>	<u>4</u>
<u>Lincoln Natural Gas Co.</u>	<u>5</u>

To other persons or individuals.

In West Virginia.

To other gas companies.

Name of Companies.

All of the above

If this company has pipe lines leading from this state to other states, give the number of such lines, and the size of pipe used and the quantity of gas piped, for the year ending December 31st,

Number.	Size of Pipe.	No. cubic feet piped.	State to which piped.
<u>1</u>	<u>20"</u>	<u>15,624,225 Ms.</u>	<u>Ky. and Ohio</u>

If this company has pipe lines leading from other states to this state, give the number of such lines, and size of pipe used and the quantity of gas piped, for the year ending December 31st,

Number.	Size of Pipe.	No. cubic feet piped.	State from which piped.
---------	---------------	-----------------------	-------------------------

Does this company pipe gas through its lines for other persons or companies? No

None

Does this company own any real estate which is used in connection with its gas business? Yes

If so, of what does it consist? See page 11.



Columbia G. & E. Report Bd. Pub. Wks., W. Va. Ex. 14

Form No. 7

Gas and Oil

A part of the report of-----Columbia Gas and Electric Company-----

How many acres of undeveloped oil leases are controlled by the company making this report?		NONE
Total-----		
In West Virginia-----		
How many acres of developed oil leases?		
Total-----		
In West Virginia-----		
How many producing oil wells were owned at the beginning of the year?		
Total-----		
In West Virginia-----		
How many producing oil wells were drilled during the year?		
Total-----		
In West Virginia-----		
How many oil wells were abandoned during the year?		
Total-----		
In West Virginia-----		
How many producing oil wells were owned at the end of the year?		
Total-----		
In West Virginia-----		
What was the total average daily production of oil for last year?		
Total-----		
In West Virginia-----		
What was the total average daily production of oil for this year?		
Total-----		
In West Virginia-----		
What was the total production of oil for the month of December, this year?		
Total-----		
In West Virginia-----		
What was the total production of oil for the year?		
Total-----		
In West Virginia-----		
What was the average price per barrel received for oil sold during the year?		
Total-----		
In West Virginia-----		
If this company transports oil through its pipe lines for other persons or companies, how many barrels were transported for the year, for such other persons or companies?		
Total-----		
In West Virginia-----		
What was the total number of barrels of oil transported through the pipe lines of this company for the year?		
Total-----		
In West Virginia-----		
What does this company charge for transporting oil through its pipe lines?		

PAGE 10.

Form No. 8-U Continued

## Public Utility

A part of report of Columbia Gas and Electric Company

REAL ESTATE AND IMPROVEMENTS			
COUNTY	DISTRICT	ACRES	IMPROVEMENTS
Cabell	Grant	86/100	Dwelling
		1/7	"
Lincoln	Carroll	87/100	"
	Duval	1/2	"
	Sheridan	1/2	"
		2-52/100	Branchland Compressor Stations & Buildings
			Supt.'s House at Branchland Compressor
			Dwellings
Putnam	Curry	23/56	Compressor Sta. and building only
		Land is rented	Approach to Pipe Line crossing
Wayne	Ceredo	47/100	Compressor Station and Buildings
		8- 1/3	
			508,228.84
			176,154.62
			200.00
			800.00
			46,672.36
			125.00
			325.00
			350.00
			400.00
			1,845.00
			450.00

Note: Compressor Stations in Lincoln and Wayne Counties have been operated 9 1/2 years. The present value is less than the above mentioned cost. Compressor Station in Putnam County was erected during 1917 on land rented from owner on 20 year lease.

Note: The legal title to the above real estate, except 2/7 of an acre, Sheridan District, (included in 23.56 marked thus ⓧ) which is in the Columbia Gas and Electric Company is in the Cincinnati Gas Transportation Company, but is leased, operated and controlled by the Columbia Gas and Electric Company under written lease by the terms of which the Columbia Company is to pay all the taxes.

**Columbia G. & E. Report Bd. Pub. Wks., W. Va. Ex. 14**

Form No. 8-U.

**Public Utility**

A part of the report of Columbia Gas and Electric Company

On this sheet and on the following sheets designated "Form No. 8 U.—Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

**Condensed Summary of Pages 11-15**  
**Valuations fixed by the Board of Public Works are also shown.**

District	Acreage of Gas and Oil Territory	Number of Wells	Miles of Pipe Line	Total Value all Property Returned Assessed by Company Bd. of Pub. Wks.
<u>CABELL COUNTY</u>				
Grant	-	-	16.80	\$515,248.00
Barboursville			1.75	66,000.00
Guyandotte			4.80	192,500.00
McConas			8.07	291,500.00
	-	-	31.42	- \$1,065,248.00
<u>LINCOLN COUNTY</u>				
Garrobl			35.97	\$ 454,352.00
Duval			5.99	152,248.00
Sheridan			57.70	2,242,356.00
Laurel Hill			22.10	624,380.00
Jefferson			-	131,504.00
Union			1.06	49,692.00
	-	-	120.82	- \$3,654,644.00
<u>POTOMAC COUNTY</u>				
Curry			3.31	\$ 122,292.00
Scott			-	12,100.00
	-	-	3.31	- \$ 134,392.00
<u>WAYNE COUNTY</u>				
Ceredo			9.25	\$1,293,600.00
Union			1.56	60,500.00
Grant			1.08	87,284.00
Lincoln			-	49,692.00
Stonewall			12.95	154,640.00
	-	-	24.84	- \$1,645,716.00
Total	209,670	254	180.39	- \$6,500,000.00

Note.— Detail of "Acreage of Oil and Gas Territory" and "Number of Wells" by Districts and Counties not available.

**Columbia G. & E. Report Bd. Pub. Wks., W. Va. Ex. 14**

Form No. 9 U.

**Public Utility.**

A part of the report of the..... Columbia Gas and Electric..... Company.

**EXPLANATORY REMARKS**

State of Ohio  
County of Hamilton

I, THE UNDERSIGNED, Polk Laffoon  
Name of Officer.

Secretary  
Official Title.

of the Columbia Gas and Electric Company, on my oath say that the return as shown on this and the foregoing pages of this report, has been prepared from the original books, papers and records of said Company; that I have carefully examined the same, and declare the same and each page thereof to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth, and that all property has been reported at its *True and Actual Value*, to the best of my knowledge, information and belief; the words "true and actual value" being understood by me to mean that price for which the before-mentioned property would sell if voluntarily offered for sale upon such terms as such property is usually sold and not the price which might be realized if said property was sold at a forced sale, and that there have been no expenditures for "additions and new work" either within or without the State of West Virginia except as shown on Form No. 4 U. of this report; and that the foregoing return includes all property owned, leased, or operated in the State of West Virginia by said Company during the period for which said return is made.

Polk Laffoon

Secretary

Official Title.

SUBSCRIBED AND SWORN TO before me  
this 11th day of February, 1920

Wm. G. Krohne

Notary Public

Notary Public.

(The return must be verified on the oath of the President, Vice-President, Secretary or Principal Accounting Officer.)

PAGE

ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 1-U.

# Public Utility.

A part of the report of the-----Manufacturers Light & Heat Company of Pa. Company.

1. Name of company making this report. The Manufacturers Light & Heat Company

2. Nature of company, whether person or persons, association or corporation-----

## Corporation

3. Organized under the laws of what state. Pennsylvania

4. Location of Principal Office-----248 Fourth Avenue, Pittsburgh, Pa.

5. Location of Principal Place of Business in West Virginia 1417 Chapline Street,

Wheeling, W. Va.

6. Name of President and his address in full John E. Gill.

248 Fourth Avenue, Pittsburgh, Pa.

7. Name of Secretary and his address in full H. E. Seibert.

248 Fourth Avenue, Pittsburgh, Penna.

8. Name of General Manager and his address in full H. A. Quay.

248 Fourth Avenue, Pittsburgh, Penna.

9. Name of Chief Officer or Managing Agent in W. Va., and his address in full-----

H. C. Vankirk, 1417 Chapline St., Wheeling, W. Va.

10. Name of Tax Agent and his address in full None

11. Name and full address of officer to whom correspondence regarding this report should be addressed

G. W. Ratcliffe

Treasurer

248 Fourth Ave. Pittsburgh, Pa.

(Name)

(Title)

(Address)

12. Date of annual meeting of stockholders Fourth Tuesday in February

13. The books of the company are closed for the year on what date December 31st.

14. If a consolidated company, name the constituent companies-----

The Manufacturers Light & Heat Co. -  
Port Pitt Gas Company

Relief Gas Co.

Mutual Benefit Gas Co.

Waynesburg Natural Gas Co.

Wheeling Natural Gas Co.

Ohio Valley Gas Co.

Manufacturers Gas Co.

Cameron Gas & Oil Co.

Canonsburg Light & Fuel Co.

Blacksville Oil & Gas Co.

REMARKS Citizens Natural Gas Co. of Waynesburg

Tri State Gas Co.

Manufacturers Light & Heat Co. of W. Va.

Big Meadows Gas Co.

Venture Oil Co.



ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 2-U

## Public Utility.

A part of the report of The Manufacturers Light & Heat Company.

What is the amount of the authorized capital stock? \$ 25,000,000.00  
 How much of the capital stock has been issued? \$ 23,000,000.00  
 How many shares of common stock issued? \$ 460,000  
 How many shares of preferred stock issued? \$ None  
 What is the par value, per share, of the common stock? \$ 50.00  
 What is the par value, per share, of the preferred stock? \$ None  
 What is the market value, per share, of the common stock? \$ 59.75  
 What is the market value, per share, of the preferred stock? \$ None  
 If stock is not on the market, at what is it valued per share? \$ ---  
 How much of the stock was paid for in cash? \$ 22,530,400.00

What was the consideration for stock issued, but not paid for in cash? PropertyIf any part of the stock was not paid for in cash, was the consideration equivalent to cash? YesHow much bonus stock, if any, was issued? \$ NoneIf stock is not worth par, how do you account for the fact that it is not? See Above

## FUNDED DEBT

FOR WHAT ISSUED	Date of Maturity	Principal Outstanding Dollars	Rate of Interest	Total Market or Actual Value on December 31 Dollars
Cash	Oct. 1, 1920	348,000.	6%	348,000.
Totals				

## UNFUNDED DEBT

FOR WHAT INCURRED	Amount
Material and Supplies	
Security Deposits	
Unpaid Dividends, etc.	
Totals	2,433,143.16

Accounts receivable, December 31, \$ 1,106,116.23

This company began business or was acquired by the present owners or operators

(month) April (day) 21st (year) 1903

Investment. (By present owners.)

Stock issued (money value) \$ 23,000,000.00Amount realized from sale of bonds \$ 10,500,900.00Earnings put into plant \$Total investment or cost (entire plant) \$What is the actual cost of that part of the plant which is situate in West Virginia, including property of all kinds? \$ 44,078,422.86(See BU)What would be the approximate cost of reproducing the entire plant new? \$ 44,078,422.86What would be the approximate cost of reproducing that part of the plant which is situated in West Virginia? \$ 14,279,348.12What is the total value of the entire plant, as shown by the books of the Company? \$ 30,083,755.74What is the value of that part of the plant situate in West Virginia, as shown by the books of the Company? \$ 9,705,105.79

## ALL QUESTIONS ON THIS SHEET MUST BE ANSWERED.

Form No. 3-U.

## Public Utility.

A part of the report of The Manufacturers Light and Heat Company.

What were the total gross earnings (including all sums earned or charged, whether actually received or not, and its proportion of the gross receipts for business done by it in connection with other companies or firms), of the Company, Co-partnership, Association or Corporation making this report, for the year ending

December 31, 1919 in all States? \$ 11,031,947.58

in West Virginia? \$ 2,441,556.70

How much of the gross earnings resulted from business actually done in West Virginia? \$ 2,441,556.70

How much of the total gross earnings should properly be credited to West Virginia to give the state a fair share of earnings? \$ 2,441,556.70

If this company operates outside of West Virginia, how, or upon what principle were the earnings apportioned, as between this state and other states?

Actual Earnings accrued from Sales of Gas to Consumers, the production of Oil and Gasoline within the State, and Income of Sundry Earnings within the State.

What were the total operating and maintenance expenses including interest and taxes in all states? \$ 7,085,418.14

What were the total operating and maintenance expenses including interest and taxes in West Virginia? \$ 1,627,390.48

("Operating and maintenance expenses" is to be understood to mean the actual expenses of operation, and actual expenditures for maintenance. Expenditures for new work (permanent improvements and additions), and dividends are not to be included as operating expenses.)

If this company operates outside of West Virginia, how, or upon what principle were the operating expenses apportioned as between this state and other states? Operating Expenses apportioned to West Virginia on the basis of its proportion of Gas delivered as to Gas delivered entire system.

What were the net earnings in West Virginia for the year ending December 31, 1919 ? \$ 814,166.22

What were the total net earnings, in all states, for the year ending December 31, 1919 ? \$ 83,998,528.14

What dividends were declared during the year on common stock? 10 per cent; amount \$ 2,253,040.00

What dividends were declared during the year on preferred stock? None per cent; amount \$ None

When were the dividends declared on common stock? Quarterly Preferred stock? \$ None

Interest paid on Funded Debt during the year. \$ 45,930.65

Interest paid on Unfunded Debt during the year. \$ None

(There should appear on each sheet of this report some notation to indicate that the information desired or questions asked have not been overlooked. The word "none" may be used against any particular item or items, where that word expresses the facts. In such a case, however, the exact amount cannot be reported, such an amount as is approximately correct must be reported. It is the duty of the company to indicate the amount of the deviation of the actual from the reported amount, where a brief explanation should be given why specific data called for cannot be returned exactly as required.)

## REMARKS.

**Mfg. L. & H. Report Bd. Pub. Wks., W. Va. Ex. 15**

Gas and Oil.

Form No. 3. U—A.

A part of the report of the The Manufacturers Light and Heat Company

THE OPERATING AND MAINTENANCE AND OTHER EXPENSES as shown below should not include expenditures for additions to plant, dividends or any amount for depreciation.

Operating and Maintenance Expenses, Interest, Etc., for the year ending December 31, (Fully itemize.)	Entire Plant	West Va.
<b>General Expenses:</b>		
Salaries and Expenses of General Officers.	\$ 75,856.60	\$
Salaries and Expenses of General Office Employees.	79,782.51	
Miscellaneous Expenses of General Office (Office Supplies, Etc.)		
Legal Expenses	9,078.01	
Miscellaneous	88,738.22	
<b>Prospecting and Lease Expenses:</b>		
Salaries.	49,628.49	
Purchase of Leases		
Rental of Leases	366,229.64	
All Drilling <del>and Production</del> Wells	1,023,877.12	
<b>Production Expenses:</b>		
Superintendent and Salaries	2,714.24	
Royalties	255,024.82	
Operating Gas Wells	170,753.57	
Operating Oil Wells	110,957.66	
Repairs to Gas Wells	189,668.52	
Repairs to Oil Wells	88,097.37	
Miscellaneous	37,485.86	
<b>Transportation Expenses:</b>		
Superintendence and Salaries	1,410.77	
Operating Transportation Lines	45,989.73	
Operating Pump Stations	350,537.89	
Operating Pressure Stations	9,587.77	
Repairs of Transportation Lines	49,091.73	
Repairs of Pumping Station Equipment	39,280.48	
Carried Forward to Form No. 3 U.—A.—Continued	3,043,891.00	

Form No. 3—U.—a.—Continued.

## Gas and Oil.

A part of the report of The Manufacturers Light & Heat Company.

Brought forward from Form No. 3 U.—A.		\$ 3,043,891.00	\$
Taxes:			
License or Charter Taxes		56,398.98	
General Property Taxes		208,377.80	
Federal Excess Profits Tax		102,000.00	
Federal Income Tax		294,000.00	
Other Federal Taxes		38,874.20	
Miscellaneous Taxes		2,100.84	
Interest and Discount:			
On Bonds and other Funded Debt		45,930.85	
On Unfunded Debt			
Gas Purchased		2,405,236.22	
Miscellaneous Expense which can not be set out under the above headings:			
(Fully itemize) Do not combine items if by so doing, the total to be entered on any line is in excess of \$5000.)			
(Companies whose total expense for operation and maintenance does not exceed \$5000, may itemize all of such expense hereunder if desired instead of using the form above.)			
DISTRIBUTION, OR CITY PLANT EXPENSE:			
Operating and Repairing Lines		156,383.13	
Reading, Operating and Repairing Meters		115,592.49	
Office Expense and Salaries		176,278.81	
Miscellaneous Distribution Expense		9,813.67	
Cleaning Out Tools Expense		87,994.17	
Gasoline Expense		240,831.91	
Drilling Tools Expense		74,412.48	
Shop Expense		20,945.81	
Miscellaneous		4,358.78	
Totals		7,083,418.14	1,627,390.48

What amount, if any, should be charged off for depreciation? \$ 1,221,323.38 \$ 410,363.98

What is considered a fair rate of depreciation? 2.85% 2.83%

What reason can be assigned for a charge-off for depreciation, considering the maintenance expense set out above?

Depletion, Obsolescence and inadequacy.



Form No. 4-U

## Public Utility

A part of the report of The Manufacturers Light & Heat Company.

All expenditures for additions and new work during the year for which this report is made should be reported hereon. If, for any reason, the exact amount expended cannot be reported, such an amount as is approximately correct should be reported. If there have been no such expenditures the word "None" should be written in the columns headed "Entire Plant" and "In West Va."

	ENTIRE PLANT		IN WEST VA.	
	Dollars	Cts.	Dollars	Cts.
<b>PERMANENT IMPROVEMENTS</b>				
Expenditures for additions and new work for the year ending December 31.				
<i>Fully itemize, and do not include any part of the amount reported as operating and maintenance expense.</i>				
<b>Line Pipe</b>	122,804	05	93,905	18
Oil and Gas Well Pipe	596,912	04	293,081	14
Other Equipment	133,843	41	74,351	04
Acresage Operated	59,422	14	39,809	35
Acresage Unoperated	160,231	85	59,155	05
Rights-of-Way	5,188	26	4,588	32
" " Expense	311	75	311	75
Buildings-	13,026	26	11,063	13
Fittings	9,942	50	8,722	14
Other Material	110	41	8	20
Labor, Teaming and Freight	11,529	66	9,491	57
Gas Receivers and Regulatory	1,865	45	263	00
Telegraph and Telephone Lines	396	30	419	46
Office Furniture	10,785	43	3,813	56
Tools	3,565	49	435	98
Natural Gas Meters	65,076	66	19,037	11
Boilers and Engines	73,896	71	51,820	17
Gas Compressing Stations	62,449	85	2,595	36
Pilot Tube Measuring Stations	1,735	80	1,464	92
Meter Installations	8,318	08	515	03
Service Lines	36,915	50	5,538	89
Derrick Material	6,654	68	8,674	10
Real Estate in Fee	17,879	82	3,356	16
Miscellaneous	2,949	85	1,398	05
Cleaning Out Tools	26,400	94	22,983	00
Omissions from Inventory	6,889	98	2,973	11
Gasoline Plants	65,498	37	32,580	34
Timber Rights	750	00	None	
Total	895,168	74	519,690	69

PAGE 5

Form No. 5.

## Gas and Oil:

A part of the report of The Manufacturers Light & Heat Company,

This sheet is intended to show the size, length and time in use, only, of the pipe line owned, leased or operated by the company making this report.

A complete statement showing the different sizes of pipe, the number of miles of each size and the average time in use, should be made on this sheet. Nothing else should be reported hereon.

SIZE	MILES IN WEST VIRGINIA	MILES OUTSIDE WEST VIRGINIA	TIME USED
1"	9,109	55,256	
1 $\frac{1}{2}$ "	284	12,480	
1 $\frac{3}{4}$ "	2,262	12,163	
2"	101,595	418,615	
2 $\frac{1}{2}$ "	920	5,986	
3"	48,639	256,849	
3 $\frac{1}{2}$ "	.748	2,601	
3-3/4"	.532		
4"	147,169	597,502	
4 $\frac{1}{2}$ "	.121	2,689	
4-7/8"	1,900	18,555	
5"	.870	10,936	
5-3/16"	3,060	3,730	
5-5/8"	2,551	44,892	
6"	116,749	299,613	
6 $\frac{1}{2}$ "	5,823	8,971	
6-5/8"	4,767	6,357	
7-5/8"	.005	25,385	
8"	84,473	364,966	
8 $\frac{1}{2}$ "	.696	.610	
10"	159,196	248,654	
12"	42,886	46,888	
13"	.015	.042	
16"	54,537	32,467	
18"	None	.066	
20"	.025	29,575	
3 $\frac{1}{2}$ "	None	.066	
4 $\frac{1}{2}$ "	.405	1,757	
4-5/8"	None	.431	
5 $\frac{1}{2}$ "	None	.833	
8-5/8"	None	2,273	
9-5/8"	None	.615	
30"	None	.040	

Total

Mileage-----768.457

2,501,763

TOTAL MILEAGE.



**Mfg. L. & H. Report Ed. Pub. Wks., W. Va. Ex. 15**

Form No. 6

**Gas and Oil**

A part of the report of The Manufacturers Light and Heat Company.

How many acres of undeveloped ~~gas~~ leases are controlled by the Company making this report?

Total in all states----- 215,463,520 Acres

In West Virginia----- 94,280,380 "

How many acres of developed ~~gas~~ leases?

Total in all states----- Gas and Oil

In West Virginia----- 132,028,800 "

How many producing gas wells were owned at the beginning of the year?

Total in all states----- 48,155,000

In West Virginia----- 1,199

How many producing gas wells were drilled during the year?

Total in all states----- 437

In West Virginia----- 77

How many "dry" wells were drilled during the year?

Total in all states----- 40

In West Virginia----- 22

How many gas wells were purchased during the year?

Total in all states----- 7

In West Virginia----- 1

How many gas wells were abandoned during the year?

Total in all states----- None

In West Virginia----- 42

How many gas wells were sold during the year?

Total in all states----- 16

In West Virginia----- None

How many producing gas wells were owned at the end of the year?

Total in all states----- None

In West Virginia----- 1,235

How many gas wells were in use at the end of the year?

Total in all states----- 461

In West Virginia----- 1,189

What was the average rock pressure for the year of the gas wells owned?

Total in all states----- NO ROCK PRESSURE OBTAINABLE

In West Virginia----- 430

What was the total daily capacity at the end of the year of the gas wells owned?

Total in all states----- Unobtainable information asked for

In West Virginia----- Estimated

What was the total average daily delivery of gas, from wells owned, for the year?

Total in all states----- 69,693,000 cu. ft.

In West Virginia----- 29,022,000 "

Total in all states----- 34,425,000 cu. ft.

In West Virginia----- 14,779,000 "

Gas and Oil

A part of the report of The Manufacturers Light & Heat Company.

If this company sells gas directly to consumers, how many does it supply?  
Total number in all states

Industrial ----- 724  
Domestic ----- 110,547  
In west Virginia -----  
Industrial ----- 162  
Domestic ----- 10,967

To what cities and towns is gas supplied City of Wheeling, Towns of Chester, New Cumberland, Wellsburg, Mountaineer, New Martinsville, Middlebourne and to Consumers in various parts of West Virginia.  
See List under West Virginia

To what gas companies, if any, is gas sold?

Western Penna. & Eastern Ohio.

How many cubic feet of gas were sold during the year?  
Total number in all states ----- 27,222,918 cu.ft.

To other gas companies  
Name of company Ambridge Gas Company..... 117,948  
Slippery Rock Heat & Light Co. 15,304  
Tidal Gas Co. 752  
T. W. Phillips Oil & Gas Co. 17,437

To industrial consumers -----  
To domestic consumers ----- 14,194,713 cu.ft.  
In West Virginia ----- 12,876,764 "

To other gas companies

Name of company ----- None

To industrial consumers ----- 3,941,264 cu.ft.  
To domestic consumers ----- 1,452,358 "  
What was the average price per thousand cubic feet received for gas sold during the year?  
Total in all states ----- 33.70 cents

To other gas companies

Name of company Ambridge Gas Company 22.68 "  
Slippery Rock Heat & Light Co. 28.94 "  
Tidal Gas Co. 10.00 "  
T. W. Phillips Oil & Gas Co. 6.00 "

To industrial consumers

To domestic consumers ----- 33.60 "

In West Virginia

To other gas companies

Name of company ----- None

To industrial consumers ----- 32.69 "

To domestic consumers ----- 30.46 "

Form No. 6—H.

**Gas and Oil**A part of the report of-----**The Manufacturers Light & Heat**-----Company.

If this company purchases gas, from whom or what company or companies does it purchase?

(See Below)

If this company purchases gas, how many cubic feet were purchased during the year?

14,633,026 cu.ft.

Total number in all states-----

From other gas companies.

Name of Companies.

Waynesburg Home Gas Co.

Peoples Natural Gas Co.

Eastern Oil Company

Eastern Petroleum Co.

Southern Oil Company

Hope Natural Gas Co.

From all other sources-----

Total in West Virginia-----

From other gas companies.

Name of Companies.

Hope Natural Gas Co.

Eastern Oil Co.

Eastern Petroleum Co.

Southern Oil Co.

From all other sources-----

If this company purchases gas, what was the average price per thousand cubic feet paid for same?

Total in all states-----

To other gas companies.

Waynesburg Home Gas Co.

Peoples Natural Gas Co.

Eastern Oil Co.

Eastern Petroleum Co.

Southern Oil Co.

Hope Natural Gas Company

To other persons or individuals-----

In West Virginia-----

To other gas companies.

Name of Companies.

Hope Natural Gas Co.

Eastern Oil Co.

Eastern Petroleum Co.

Southern Oil Co.

To other persons or individuals-----

If this company has pipe lines leading from this state to other states, give the number of such lines, and the size of pipe used and the quantity of gas piped, for the year ending December 31st, Number.

Size of Pipe.

No. cubic feet piped.

State to which piped.

See Form 9-U

See Form 9-U

If this company has pipe lines leading from other states to this state, give the number of such lines, and size of pipe used and the quantity of gas piped, for the year ending December 31st, Number.

Size of Pipe.

No. cubic feet piped.

State from which piped.

See Form 9-U

See Form 9-U

Does this company pipe gas through its lines for other persons or companies?-----

None

Does this company own any real estate which is used in connection with its gas business?-----

Yes

If so, of what does it consist?-----

See Form 9-U

# Gas and Oil

A part of the report of The Manufacturers of Light & Heat Company.

How many acres of undeveloped oil leases are controlled by the company making this report?	
Total	None
In West Virginia	None
How many acres of developed oil leases?	
Total	21,384,000 Acres
In West Virginia	8,375,000 "
How many producing oil wells were owned at the beginning of the year?	
Total	390
In West Virginia	135
How many producing oil wells were drilled during the year?	
Total	28
In West Virginia	13
How many oil wells were abandoned during the year?	
Total	2
In West Virginia	2
How many producing oil wells were owned at the end of the year?	
Total	420
In West Virginia	147
What was the total average daily production of oil for last year?	
Total	559,61 Bbls.
In West Virginia	124,16 "
What was the total average daily production of oil for this year?	
Total	560,59 "
In West Virginia	212,38 "
What was the total production of oil for the month of December, this year?	
Total	14,942,27 "
In West Virginia	5,055,21 "
What was the total production of oil for the year?	
Total	204,615,53 "
In West Virginia	77,520,74 "
What was the average price per barrel received for oil sold during the year?	
Total	\$4.55
In West Virginia	\$4.55
If this company transports oil through its pipe lines for other persons or companies, how many barrels were transported for the year, for such other persons or companies?	
Total	None
In West Virginia	"
What was the total number of barrels of oil transported through the pipe lines of this company for the year?	
Total	"
In West Virginia	"
What does this company charge for transporting oil through its pipe lines?	
Total	"

## Public Utility

A part of the report of Manufacturers Light and Heat Company

On this sheet and on the following sheets designated "Form No. 8 U.-Continued" a complete itemized list together with the true and actual value of each item listed, of all property, both tangible and intangible including all money, credits and investments, owned or operated in this state, by the company making this report, must be given. This property must be listed by counties, magisterial districts, independent school districts and municipalities. Notice carefully the SAMPLE SHEETS sent with this report and follow the same as nearly as possible in listing the property of the company.

### Condensed Summary of Pages 11-53 Valuations filed by the Board of Public Works are also shown.

Market	Average of Gas and Oil of Territory	Number of Gas Wells	Miles of Pipe Line	Total Value all Property Returned As assessed by by Company Ed. of P. W. W. A.
<b>HANCOCK COUNTY</b>				
Town of Chester	-	-	12.54	\$ 47,037.34
Grant (including Norwell)	702.00	11	28.88	165,049.66
Town of Gooch	-	-	-	585.61
Poe	668.00	9	11.94	60,834.39
Clay	-	-	2.29	14,154.24
Town of New Cumberland	-	-	9.08	13,237.47
Butler (Inco. Weirton)	1.00	1	15.75	38,131.48
Town of Hollidays Cove	-	-	2.92	6,049.67
	1,571.00	21	83.40	\$ 365,079.66
<b>BROOKE COUNTY</b>				
Town of Hollidays Cove	-	-	1.49	\$ 2,714.13
Cross Creek	-	-	27.24	116,780.19
Town of Follambree	-	-	9.64	31,783.20
" " Wellsburg	-	-	19.45	53,048.76
Buffalo	-	-	17.12	63,800.01
	-	-	74.94	\$ 270,126.29
<b>OHIO COUNTY</b>				
Liberty	-	-	2.80	\$ 3,280.01
Richland	794.50	-	12287	85,261.16
Triadelphia	1,705.00	-	13.30	82,473.58
Warwood	-	-	7.95	17,982.35
Town of Wheeling	-	-	6.00	59,417.25
Ritchie	362.00	-	-	353.90
	2,662.50	-	43.72	\$ 247,757.55
<b>MARSHALL COUNTY</b>				
Town of Menden	-	-	7.07	\$ 14,392.86
" " Benwood	-	-	1.08	14,575.73
" " Morgantown	-	-	22.94	55,265.81
Washington Ind.	-	-	1.78	12,183.39
Washington	673.00	-	13.39	81,429.10
Union	3,240.00	-	9.65	61,632.39
Liberty	23,509.44	106	59.08	700,911.21
Town of Cameron	-	-	1.23	2,426.73
Cameron	9,710.00	27	29.26	222,990.94
Clay	4,450.00	-	14.66	214,610.67
Ind.	-	-	.77	5,948.29
Franklin	4,137.00	15	11.73	72,411.00
Meade	7,142.60	35	34.28	254,598.25
Sand Hill	6,776.50	4	5.68	51,870.40
Webster	3,816.00	17	9.45	107,279.61
	58,454.54	192	222.85	\$189,148.29
				\$331,508.00



FORM NO. 8-U CONTINUED

## PUBLIC UTILITY

A part of report of ----- Manufacture of Light and Heat ----- Company.

TYLER COUNTY					
Elmworth	7,311.50	50	36.81	\$ 253,778.46	\$ 444,608.00
Fuller	4,156.25	35	19.72	300,879.93	351,416.00
Lincoln	104.00	2	-	1,048.00	1,036.00
Franklin	45.00	-	-	45.00	79.00
Town of Middlebourne	-	-	24.46	21,724.32	59,060.00
	11,516.75	87	82.99	\$ 477,109.71	\$ 835,998.00
WETZEL COUNTY					
Town of Brooklyn	-	-	3.27	\$ 5,106.68	\$ 9,947.00
" " New Martinsville	-	-	11.78	32,172.54	40,597.00
" " Randolph	-	-	1.54	96,359.31	166,609.00
Mapolia	919.40	-	15.27	44,540.65	76,034.70
Proctor	4,700.00	16	30.56	253,175.92	443,500.00
Proctor	5,895.80	38	43.13	499,954.37	875,009.00
Center	5,706.50	6	4.43	43,934.03	77,060.00
Channah	7,103.00	61	46.50	43,954.40	756,363.00
Clay	3,324.75	9	6.40	45,953.94	90,543.00
Grant	2,726.00	13	5.20	43,056.22	75,433.00
	30,476.45	168	170.80	\$ 1,487,164.88	\$ 2,604,144.00
MONROE COUNTY					
Grant	1,780.00	13	13.04	\$ 98,760.16	\$ 189,011.00
McClallen	3,996.50	44	31.90	377,378.15	641,169.00
West Union	940.00	3	6.50	32,830.46	57,549.00
How Milton	15.00	1	.59	3,195.08	5,592.00
	6,143.00	61	50.83	\$ 504,163.84	\$ 853,297.00
MARION COUNTY					
Lincoln	96.00	-	2.03	\$ 25,023.49	\$ 43,840.00
Marrington	2,005.50	32	25.81	169,093.33	331,284.00
	3,143.50	32	28.84	204,118.72	375,134.00
HARRISON COUNTY					
Sallis	225.00	3	2.22	\$ 19,169.94	\$ 35,545.00
Engle	118.00	2	-	110.00	192.00
	635.00	3	2.22	\$ 19,379.94	\$ 55,777.00
MORGAN COUNTY					
Town of Blacksville	-	-	1.23	\$ 1,180.87	\$ 2,067.00
Clay	5,354.00	8	6.59	45,493.25	76,200.00
Battle	5,597.00	41	6.85	180,434.24	311,107.00
	5,861.00	49	14.67	\$ 185,169.06	\$ 299,374.00
ZANAHIA COUNTY					
Poss	274.50	-	-	\$ 274.50	\$ 480.00
LOGAN COUNTY					
Logan	7,157.74	-	-	\$ 7,157.74	\$ 12,540.00
BALAIGH COUNTY					
Marsh Fork	1,047.50	-	-	\$ 1,867.50	\$ 3,271.00
MINGO COUNTY					
Hardee	265.00	-	-	\$ 265.00	\$ 500.00
Lee	1,578.00	-	-	1,378.00	2,414.00
Magolia	915.00	-	-	915.00	1,603.00
	2,578.00	-	-	\$ 2,578.00	\$ 4,517.00
Total.	142,435.96	610	763.34	\$ 5,852,053.66	\$ 9,900,000.00



## Public Utility.

A part of the report of the The Manufacturers Light & Heat Company.

## EXPLANATORY REMARKS

Page 7 - Do not understand what meaning is to be taken from "Daily Capacity". The estimated gas production available from wells owned the Manufacturers Light & Heat Company, computed on the first minute raise above line pressure, showing number of cubic feet available under conditions existing per day at time gauges were taken on December 31st, 1919, was, all States, 68,693,000 cu.ft. Estimated West Virginia 29,022,000 cu.ft.

Page 9- Twenty-two lines cross the Ohio river between Chester in Hancock County, W. Va. and New Martinsville in Wetzel County, W. Va. Also pipe lines cross the state line between West Virginia and Pennsylvania at various points in all three states and the gas intermingles and flows through the entire system, sometimes in one direction, sometimes in the opposite direction, depending upon the demand in any particular locality.

State of Pennsylvania }  
County of Allegheny } ss

I, G. W. Ratcliffe  
Name of Officer.

Treasurer  
Official Title.

of the Manufacturers Light and Heat Company, on my oath say that the return as shown on this and the foregoing pages of this report, has been prepared from the original books, papers and records of said Company; that I have carefully examined the same and declare the same and each page thereof to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth, and that all property has been reported at its True and Actual Value, to the best of my knowledge, information and belief; the words "true and actual value" being understood by me to mean that price for which the before-mentioned property would sell if voluntarily offered for sale upon such terms as such property is usually sold and not the price which might be realized if said property was sold at a forced sale, and that there have been no expenditures for "additions and new work" either within or without the State of West Virginia except as shown on Form No. 4 U. of this report; and that the foregoing return includes all property owned, leased, or operated in the State of West Virginia by said Company during the period for which said return is made.

G. W. Ratcliffe

Official Title.

SUBSCRIBED AND SWORN TO before me }  
this 30th day of April 1920 }

Harry H. Fowler

My Commission Expires December 10, 1923.

Notary Public.

(The return must be verified on the oath of the President, Vice-President, Secretary or Principal Accounting Officer.)

PAGE -----

Statement Showing Supply of Natural Gas Produced and Acquired with in West Virginia, by the  
 West Virginia Natural Gas Company, Columbia Gas and Electric Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.

Combined for the Seven Companies.  
 1911-1919

	Produced		Purchased		Gross Supply		Inter- changes*		Used or Sold For Field Purposes		Net Supply for Public Service**	
	In W. Va.	M. Cu. Ft.	In W. Va.	M. Cu. Ft.	W. Va.	M. Cu. Ft.	M. Cu. Ft.	M. Cu. Ft.	M. Cu. Ft.	M. Cu. Ft.	M. Cu. Ft.	M. Cu. Ft.
1919.....	150,161,299	63,603,888	63,603,888	213,765,187	213,765,187	39,286,137	10,052,709	164,426,341				
1918.....	181,817,306	78,908,397	78,908,397	260,725,703	260,725,703	46,495,191	12,544,810	201,685,702				
1917.....	204,937,744	84,085,282	84,085,282	289,023,026	289,023,026	51,876,889	13,628,360	223,517,777				
1916.....	200,580,166	69,717,163	69,717,163	270,297,329	270,297,329	36,066,165	13,338,581	220,892,583				
1915.....	144,212,788	59,015,904	59,015,904	203,228,692	203,228,692	22,944,046	9,590,151	170,694,495				
1914.....	136,193,678	58,676,747	58,676,747	194,870,425	194,870,425	19,187,815	9,056,880	166,625,730				
1913.....	127,430,264	65,538,966	65,538,966	192,969,250	192,969,250	16,597,492	8,474,112	167,697,746				
1912.....	126,447,803	64,273,082	64,273,082	190,720,885	190,720,885	10,261,144	8,408,779	172,050,962				
1911.....	110,231,007	57,124,743	57,124,743	167,385,630	167,385,630	12,622,222	7,332,362	147,431,246				

\* Interchanges represent sales to one or more of the seven companies.

\*\* Gross Supply less Interchanges and Field Use.

Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 For the Year Ended December 31, 1919.

	Produced in W. Va.		Purchased in W. Va.		Gross Supply W. Va.		Inter- Changes*		Used or Sold for Field Purposes		Net Supply for Public Service**	
	M. Cu. Ft.	1	M. Cu. Ft.	2	M. Cu. Ft.	3	M. Cu. Ft.	4	M. Cu. Ft.	5	M. Cu. Ft.	6
1. Hope Natural Gas Company.....	47,771,177		19,626,093		67,597,270		12,262,187		6,156,619		49,158,464	
2. Pittsburgh and West Virginia Gas Co.18,735,935			6,137,609		26,873,544		411,750		22,689		26,439,105	
3. United Fuel Gas Company.....	39,942,057		11,457,628		51,399,685		20,986,108		1,380,252		29,033,325	
4. Reserve Gas Company.....	21,049,653		328,818		21,378,481		5,444,774		1,235,769		14,697,938	
5. Carnegie Natural Gas Company.....	10,913,506		311,611		11,225,117		161,316		265,987		10,797,812	
6. Columbia Gas and Electric Company...	5,956,056		9,949,496		15,905,552		-		425,486		15,480,066	
7. Manufacturers Light and Heat Co....	5,792,905		13,592,633		19,385,538		-		565,907		18,819,631	
Totals.....	150,161,299		63,603,888		213,765,187		39,286,137		10,052,709		164,425,341	

\*Interchanges represent sales to one or more of the seven companies.

\*\* Gross Supply less interchanges and Field Use.

For the Year Ended December 31, 1918.

	Produced in W. Va. M. Cu. Ft.	Purchased in W. Va. M. Cu. Ft.	Gross Supply " " Va. M. Cu. Ft.	Inter- changes " " Cu. Ft.	Used or Sold		Net Supply for Public Service M. Cu. Ft.
					For Field Purposes M. Cu. Ft.	Public Service M. Cu. Ft.	
1. Hope Natural Gas Company.....	56,146,971	28,164,163	86,311,154	12,166,754	8,724,126	65,420,272	4
2. Pittsburgh and West Virginia Gas Co....	22,959,495	10,600,161	33,559,656	167,578	57,465	33,334,613	
3. United Fuel Gas Company.....	38,914,067	13,927,461	52,841,548	23,067,983	1,011,286	28,762,277	
4. Reserve Gas Company.....	31,236,295	1,269,944	32,496,239	10,901,037	1,269,143	20,306,059	
5. Carnegie Natural Gas Company.....	19,187,045	180,061	19,367,106	191,839	400,953	18,774,314	
6. Columbia Gas and Electric Company.....	4,930,453	11,405,494	16,335,947	-	509,482	15,826,465	
7. Manufacturers Light and Heat Company..	6,442,960	13,371,073	19,814,053	-	552,351	19,261,702	
Totals.....	181,617,306	76,908,397	260,725,703	46,495,191	12,544,810	201,685,702	

\* interchanges represent sales to one or more of the seven companies.

\*\* Gross Supply less interchanges and field use.

Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
Hone Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
For the Year Ended December 31, 1917.

	Produced in W. Va. M. Cu. Ft.	Purchased in W. Va. M. Cu. Ft.	Gross Supply W. Va. M. Cu. Ft.	Inter- changes M. Cu. Ft.	Gross Supply less Interchanges M. Cu. Ft.
1. Hone Natural Gas Company.....	73,969,909	30,857,458	104,827,377	14,867,008	90,140,369
2. Pittsburgh and West Virginia Gas Co..	27,530,141	10,298,839	37,928,980	45,130	37,883,850
3. United Fuel Gas Company.....	44,187,878	12,546,398	56,734,276	24,732,329	32,001,947
4. Reserve Gas Company.....	31,161,590	2,154,866	33,316,456	12,412,422	20,904,034
5. Carnegie Natural Gas Company.....	16,840,765	234,594	17,075,359	-	17,075,359
6. Columbia Gas and Electric Company....	4,818,278	12,469,138	17,287,416	-	17,287,416
7. Manufacturers Light and Heat Co.....	6,329,183	15,523,979	21,853,162	-	21,853,162
Totals.....	204,937,744	84,085,282	289,023,026	51,876,869	237,146,137
Less Gas Used for Field Purposes....					13,628,350
Net Supply for Public Service.....					223,517,777

Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 For the Year Ended December 31, 1915.

	Produced in W. Va. M. Cu. Ft.	Purchased in W. Va. M. Cu. Ft.	Gross Supply W. Va. M. Cu. Ft.	Inter changes* M. Cu. Ft.	Gross Supply less interchanges M. Cu. Ft.
1. Hope Natural Gas Company.....	31,319,666	26,261,531	107,590,197	14,215,404	93,364,713
2. Pittsburgh and West Virginia Gas Co....	34,006,677	4,835,484	38,842,161	57,274	38,784,867
3. United Fuel Gas Company.....	26,419,461	10,203,085	36,621,546	8,191,870	28,429,676
4. Reserve Gas Company.....	29,752,951	2,895,368	32,648,319	13,601,537	19,046,782
5. Carnegie Natural Gas Company.....	16,253,772	175,955	16,429,727	-	16,429,727
6. Columbia Gas and Electric Company.....	5,908,707	9,767,259	15,675,966	-	15,675,966
7. Manufacturers Light and Heat Company..	6,920,332	15,578,481	22,499,413	-	22,499,413
Totals.....	200,560,165	69,717,163	270,297,329	36,066,165	234,231,164
Less Gas Used for Field Purposes.....					13,336,581
Net Supply for Public Service.....					220,892,583

383 • Interchanges represent sales to one or more of the seven companies.



Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
Horse Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.  
For the year ended December 31, 1916.

	Produced in W. Va. M. Cu. Ft.	Purchased in " Va. M. Cu. Ft.	Gross Supply W. Va. M. Cu. Ft.	Inter- changes M. Cu. Ft.	Gross Supply less Interchanges M. Cu. Ft.
1. Horse Natural Gas Company.....	46,350,733	20,918,491	67,269,224	9,445,951	57,823,273
2. Pittsburgh and West Virginia Gas Co.....	31,352,592	5,993,692	37,356,274	86,247	37,270,027
3. United Fuel Gas Company.....	17,875,503	9,880,327	27,755,835	6,422,770	21,333,065
4. Reserve Gas Company.....	21,172,149	3,223,266	24,395,435	6,989,078	17,406,357
5. Carnegie Natural Gas Company.....	15,014,321	108,486	15,122,807	-	15,122,807
6. Columbia Gas and Electric Company.....	6,189,901	7,886,667	14,076,568	-	14,076,568
7. Manufacturers Light and Heat Co.....	6,247,594	11,004,955	17,252,549	-	17,252,549
Totals.....	144,212,788	59,015,934	203,228,692	22,944,046	180,284,646
Less Gas Used for Field Purposes.....					9,590,151
Net Supply for Public Service.....					170,694,495

\* Interchanges represent sales to one or more of the seven companies.

Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.  
 For the Year Ended December 31, 1914.

	Produced in W. Va. M. Cu. Ft.	Purchased in W. Va. M. Cu. Ft.	Gross Supply W. Va. M. Cu. Ft.	Inter- changes* M. Cu. Ft.	Gross Supply less Interchanges M. Cu. Ft.
1. Hope Natural Gas Company.....	43,768,747	26,604,201	70,392,948	5,105,293	65,287,655
2. Pittsburgh and West Virginia Gas Co....	23,604,193	3,912,964	27,517,157	21,533	27,495,624
3. United Fuel Gas Company.....	19,047,662	8,159,447	27,207,129	6,066,130	21,138,999
4. Reserve Gas Company.....	21,060,238	5,240,757	26,320,975	7,992,659	18,328,116
5. Carnegie Natural Gas Company.....	14,283,495	164,985	14,448,480	-	14,448,480
6. Columbia Gas and Electric Company.....	8,561,636	7,442,898	16,004,534	-	16,004,534
7. Manufacturers Light and Heat Co.....	5,827,687	7,151,515	12,979,202	-	12,979,202
Totals.....	136,193,678	58,676,747	194,870,425	19,197,818	175,682,610
Less Gas Used for Field Purposes.....					9,056,880
Net Supply for Public Service.....					166,625,730

385 \* Interchanges represent sales to one or more of the seven companies.

Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company  
 For the Year Ended December 31, 1913.

	Produced in W. Va. M. Cu. Ft.	Purchased in W. Va. M. Cu. Ft.	Gross Supply W. Va. M. Cu. Ft.	Inter- changes* M. Cu. Ft.	Gross Supply less Interchanges M. Cu. Ft.
1. Hope Natural Gas Company.....	48,395,235	31,077,215	79,472,450	2,924,339	76,548,111
2. Pittsburgh and West Virginia Gas Co.....	10,390,792	11,616,729	22,207,521	76,768	22,130,753
3. United Fuel Gas Company.....	20,481,820	5,318,006	25,799,826	6,322,986	19,476,840
4. Reserve Gas Company.....	19,613,877	2,757,120	22,370,997	7,273,299	15,097,698
5. Carnegie Natural Gas Company.....	16,726,134	-	16,726,134	-	16,726,134
6. Columbia Gas and Electric Company.....	5,989,747	6,906,041	12,895,786	-	12,895,786
7. Manufacturers Light and Heat Co.....	5,832,659	7,563,975	13,496,534	-	13,496,534
Totals.....	127,430,264	65,538,986	192,969,250	16,597,392	176,371,858
Less Gas Used for Field Purposes.....					8,474,112
Net Supply for Public Service.....					167,897,746

\* Intercompany represent sales to one or more of the seven companies.

Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.  
 For the Year Ended December 31, 1912.

	Produced in W. Va. M. Cu. Ft.	Purchased in W. Va. M. Cu. Ft.	Gross Supply W. Va. M. Cu. Ft.	Inter- changes* M. Cu. Ft.	Gross Supply less Interchanges M. Cu. Ft.
1. Hope Natural Gas Company.....	46,825,414	32,014,727	78,840,141	-	78,840,141
2. Pittsburgh and West Virginia Gas Co.....	18,862,144	10,422,948	29,285,092	47,145	29,237,947
3. United Fuel Gas Company.....	20,953,059	4,592,212	25,545,271	7,190,127	18,355,144
4. Reserve Gas Company.....	12,733,740	1,810,742	14,544,482	3,023,872	11,520,610
5. Carnegie Natural Gas Company.....	17,049,241	-	17,049,241	-	17,049,241
6. Columbia Gas and Electric Company.....	4,656,563	7,679,821	12,336,384	-	12,336,384
7. Manufacturers Light and Heat Company....	5,357,642	7,752,632	13,120,274	-	13,120,274
Totals.....	126,447,803	64,273,082	190,720,885	10,261,144	180,459,741
Less Gas Used for Field Purposes.....					8,408,779
Net Supply for Public Service.....					172,050,962

\* Interchanges represent sales to one or more of the seven companies.

Statement Showing Supply of Natural Gas Produced and Acquired Within West Virginia, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.  
 For the Year Ended December 31, 1911.

	Produced in W. Va. M. Cu. Ft.	Purchased in W. Va. M. Cu. Ft.	Gross Supply W. Va. M. Cu. Ft.	Inter- changes M. Cu. Ft.	Gross Supply less Interchanges M. Cu. Ft.
1. Hope Natural Gas Company.....	38,117,453	33,775,917	71,893,370	3,002,072	68,891,298
2. Pittsburgh and West Virginia Gas Co.....	23,956,467	3,365,096	27,321,563	-	27,321,563
3. United Fuel Gas Company.....	16,763,561	3,991,567	20,755,128	7,452,831	13,302,297
4. Reserve Gas Company.....	9,611,527	1,640,062	11,451,589	2,167,319	9,284,270
5. Carnegie Natural Gas Company.....	13,369,946	-	13,369,946	-	13,369,946
6. Columbia Gas and Electric Company.....	3,796,172	6,630,292	10,675,464	-	10,675,464
7. Manufacturers Light and Heat Co.....	4,645,951	7,271,809	11,917,770	-	11,917,770
Totals.....	110,261,037	57,124,743	167,385,830	12,622,222	154,763,608
Less Gas Used for Field Purposes.....					7,332,362
Net Supply for Public Service.....					147,431,246

\* Interchanges represent sales to one or more of the seven companies.

W. Va. Exhibit No. 17, R.E.S.  
(Introduced at page 998, Record)

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company,  
Combined for the Seven Companies,  
1910-1919.

	<u>Developed</u>	<u>Underdeveloped</u>	<u>Total</u>
1919.....	669,305	1,865,720	2,556,025
1918.....	658,860	1,872,845	2,531,725
1917.....	618,569	2,182,500	2,771,059
1916.....	559,078	2,281,435	2,840,513
1915.....	509,414	2,045,032	2,554,446
1914.....	572,043	1,862,319	2,434,362
1913.....	533,593	2,055,968	2,559,561
1912.....	467,664	2,027,469	2,495,133
1911.....	351,428	2,362,046	2,734,274
1910.....	311,569	2,639,509	2,951,078



Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company.

December 31, 1912.

	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	356,776	690,094	1,028,870
2. Pittsburgh and West Virginia Gas Company.....	108,198	209,128	317,326
3. United Fuel Gas Company.....	62,337	653,699	716,036
4. Reserve Gas Company.....	51,556	4,664	56,220
5. Carnegie Natural Gas Company.....	43,171	33,921	77,092
6. Columbia Gas and Electric Company.....	28,737	180,938	209,670
7. Manufacturers Light and Heat Company.....	56,530	94,281	150,811
Totals.....	699,305	1,866,720	2,556,025

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company,  
December 31, 1913.

	Developed	Underdeveloped	Total
1. Hope Natural Gas Company.....	326,019	803,436	1,129,455
2. Pittsburgh and West Virginia Gas Company.....	106,226	214,962	321,188
3. United Fuel Gas Company.....	60,090	543,150	603,240
4. Reserve Gas Company.....	48,730	7,375	56,105
5. Carnegie Natural Gas Company.....	37,070	46,020	83,090
6. Columbia Gas and Electric Company.....	27,665	164,595	212,260
7. Manufacturers Light and Heat Company.....	53,090	73,305	126,395
Totals.....	669,890	1,872,843	2,542,733

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company.  
December 31, 1917.

	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	313,923	866,440	1,180,363
2. Pittsburgh and West Virginia Gas Company.....	99,490	232,073	331,563
3. United Fuel Gas Company.....	56,135	615,798	671,933
4. Reserve Gas Company.....	46,065	89,700	135,765
5. Carnegie Natural Gas Company.....	36,208	64,407	100,615
6. Columbia Gas and Electric Company.....	23,046	204,517	227,565
7. Manufacturers Light and Heat Company.....	43,630	79,565	123,195
Totals.....	618,559	2,152,500	2,771,059

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company,  
and Manufacturers Light and Heat Company.

December 31, 1916.

	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	286,147	984,348	1,270,495
2. Pittsburgh and West Virginia Gas Company.....	92,036	267,696	359,732
3. United Fuel Gas Company.....	48,070	668,596	716,665
4. Reserve Gas Company.....	42,826	12,901	55,727
5. Carnegie Natural Gas Company.....	32,915	66,523	99,438
6. Columbia Gas and Electric Company.....	20,966	204,776	225,742
7. Manufacturers Light and Heat Company.....	36,118	76,596	112,714
Totals.....	559,078	2,281,435	2,840,513

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company.

December 31, 1915.

	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	262,574	675,841	938,415
2. Pittsburgh and West Virginia Gas Company.....	82,371	281,365	363,736
3. United Fuel Gas Company.....	42,471	729,986	772,457
4. Reserve Gas Company.....	20,246	15,640	55,886
5. Carnegie Natural Gas Company.....	30,304	59,604	89,988
6. Columbia Gas and Electric Company.....	19,424	216,357	235,781
7. Manufacturers Light and Heat Company.....	32,024	66,159	98,183
Totals.....	509,414	2,045,032	2,554,446

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company,

December 31, 1914.

	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	249,111	576,990	826,101
2. Pittsburgh and West Virginia Gas Company.....	76,234	286,620	362,854
3. United Fuel Gas Company.....	37,948	719,288	757,236
4. Reserve Gas Company.....	38,247	17,269	55,516
5. Carnegie Natural Gas Company.....	26,702	61,066	87,767
6. Columbia Gas and Electric Company.....	106,873	129,267	236,140
7. Manufacturers Light and Heat Company.....	34,928	59,800	94,728
Totals.....	572,043	1,852,319	2,424,362



Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company.  
December 31, 1913.

	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	224,987	701,456	926,443
2. Pittsburgh and West Virginia Gas Company.....	77,101	289,566	366,667
3. United Fuel Gas Company.....	32,187	788,373	820,560
4. Reserve Gas Company.....	35,277	20,211	55,488
5. Carnegie Natural Gas Company .....	25,190	67,339	92,529
6. Columbia Gas and Electric Company.....	106,923	131,033	237,956
7. Manufacturers Light and Heat Company.....	31,928	57,990	89,918
Totals.....	533,593	2,055,968	2,589,561

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company.

December 31, 1912.

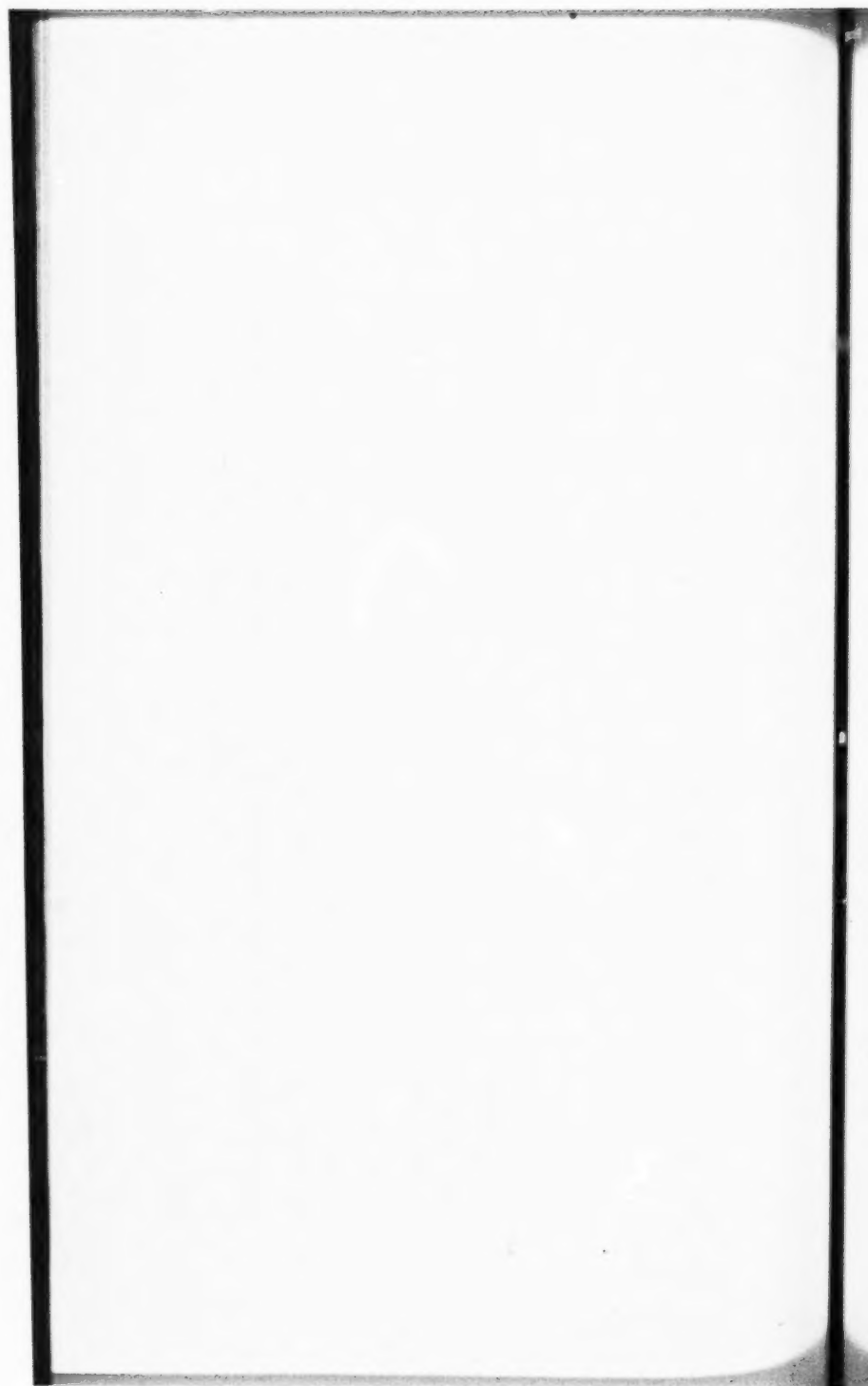
	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	201,693	714,710	916,403
2. Pittsburgh and West Virginia Gas Company.....	67,395	290,795	358,190
3. United Fuel Gas Company.....	26,624	718,688	745,312
4. Reserve Gas Company.....	33,076	22,395	55,471
5. Carnegie Natural Gas Company.....	22,303	68,866	91,169
6. Columbia Gas and Electric Company.....	86,611	149,447	236,058
7. Manufacturers Light and Heat Company.....	30,062	62,668	92,730
Totals.....	467,664	2,027,469	2,495,133

Statement Showing Acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company,  
December 31, 1911.

	Developed	Undeveloped	Total
1. Hope Natural Gas Company.....	178,864	893,169	1,072,033
2. Pittsburgh and West Virginia Gas Company.....	55,940	387,335	443,675
3. United Fuel Gas Company.....	29,446	705,766	735,212
4. Reserve Gas Company.....	31,732	23,777	55,509
5. Carnegie Natural Gas Company.....	19,725	86,647	106,192
6. Columbia Gas and Electric Company.....	6,557	227,681	234,238
7. Manufacturers Light and Heat Company.....	29,164	58,651	87,815
Totals.....	351,428	2,392,846	2,754,274

Statement showing acreage of Natural Gas Territory Held Within West Virginia  
by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company.  
December 31, 1910.

	<u>Developed</u>	<u>Underdeveloped</u>	<u>Total</u>
1. Hope Natural Gas Company.....	153,780	844,616	998,396
2. Pittsburgh and West Virginia Gas Company.....	47,091	424,357	471,448
3. United Fuel Gas Company.....	27,975	961,310	1,009,285
4. Reserve Gas Company .....	30,044	25,645	55,689
5. Carnegie Natural Gas Company. ....	16,050	79,631	97,681
6. Columbia Gas and Electric Company.....	5,000	181,553	186,553
7. Manufacturers Light and Heat Company.....	29,629	102,327	132,026
Totals.....	311,569	2,639,509	2,951,078



W. Va. Exhibit No. 18, R.R.S.  
(Introduced at page 1015, Record.)

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
West Virginia Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
and Manufacturers Light and Heat Company,  
Combined for the Seven Companies.  
1910-1912.

	Domestic	Industrial	Utilities	Local	Total
1912.....	58,270	549	22	58,841	
1913.....	55,217	611	17	55,845	
1914.....	53,135	747	15	53,897	
1915.....	50,249	729	15	50,993	
1916.....	46,628	604	10	47,242	
1917.....	45,295	628	9	45,932	
1918.....	43,271	633	10	43,914	
1919.....	40,051	639	16	40,705	
1920.....	36,439	659	11	36,109	
402 1921.....	33,880	552	8	34,440	



Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 H. C. Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company.

December 31, 1919.

	Local	
	Domestic	Industrial Utilities Total
1. Hope Natural Gas Company.....	17,326	131 9 17,456
2. Pittsburgh and West Virginia Gas Company....	4,250	86 3 4,339
3. United Fuel Gas Company.....	24,528	169 5 24,702
4. Reserve Gas Company.....	521	- 1 522
5. Carnegie Natural Gas Company.....	392	- 4 396
6. Columbia Gas and Electric Company.....	286	1 - 287
7. Manufacturers Light and Heat Company.....	10,957	162 - 11,129
Total.....	58,270	549 22 58,841

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company.  
December 31, 1918.

	<u>Domestic</u>	<u>Industrial</u>	<u>Local Utilities</u>	<u>Total</u>
1. Hope Natural Gas Company.....	16,569	198	6	16,773
2. Pittsburgh and West Virginia Gas Company..	4,021	107	2	4,128
3. United Fuel Gas Company.....	22,704	157	4	22,865
4. Reserve Gas Company.....	448	-	1	449
5. Carnegie Natural Gas Company.....	625	-	3	628
6. Columbia Gas and Electric Company.....	237	1	-	238
7. Manufacturers Light and Heat Company.....	10,613	152	1	10,766
Totals.....	55,217	611	17	55,845

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company,  
December 31, 1917.

	Local			
	Domestic	Industrial	Utilities	Total
1. Hope Natural Gas Company.....	16,503	370	8	16,881
2. Pittsburgh and West Virginia Gas Co.....	3,804	91	1	3,896
3. United Fuel Gas Company.....	21,691	129	4	21,824
4. Reserve Gas Company.....	459	-	1	460
5. Carnegie Natural Gas Company.....	521	-	-	521
6. Columbia Gas and Electric Company.....	230	1	-	231
7. Manufacturers Light and Heat Company.....	9,927	156	1	10,084
Totals.....	53,135	747	15	53,897

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company.  
December 31, 1916.

	Local	
	Domestic	Industrial Utilities Total
1. Hope Natural Gas Company.....	15,476	363 8 15,847
2. Pittsburgh and West Virginia Gas Co.....	3,532	82 1 3,615
3. United Fuel Gas Company.....	20,474	127 3 20,604
4. Reserve Gas Company.....	414	- 1 415
5. Carnegie Natural Gas Company.....	217	- - 217
6. Columbia Gas and Electric Company.....	309	1 - 210
7. Manufacturers Light and Heat Co.....	9,927	156 2 10,085
Totals.....	50,249	729 15 50,993

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company.

December 31, 1915.

	Domestic	Industrial	Local	Utilities	Total
1. Hope Natural Gas Company.....	14,907	297	4		15,206
2. Pittsburgh and West Virginia Gas Company.....	3,268	43	2		3,313
3. United Fuel Gas Company.....	18,538	120	2		18,660
4. Reserve Gas Company.....	674	-	1		676
5. Carnegie Natural Gas Company.....	160	-	-		160
6. Columbia Gas and Electric Company.....	163	-	-		163
7. Manufacturers Light and Heat Company.....	8,896	144	1		9,043
Totals.....	46,628	604	10		47,242

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company,  
December 31, 1914.

	<u>Domestic Industrial Utilities</u>		<u>Local</u>	<u>Total</u>
1. Hope Natural Gas Company.....	14,553	286	4	14,943
2. Pittsburgh and West Virginia Gas Company.....	3,260	42	2	3,304
3. United Fuel Gas Company.....	18,248	163	1	18,412
4. Reserve Gas Company.....	639	-	1	640
5. Carnegie Natural Gas Company.....	137	-	-	137
6. Columbia Gas and Electric Company.....	173	-	-	173
7. Manufacturers Light and Heat Company.....	8,185	137	1	8,323
Totals.....	45,295	628	9	45,932



Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company.

December 31, 1913.

	Local	
	Domestic	Industrial Utilities Total
1. Hope Natural Gas Company.....	14,065	286 4 14,355
2. Pittsburgh and West Virginia Gas Co.....	3,173	35 4 3,212
3. United Fuel Gas Company.....	17,436	164 1 17,601
4. Reserve Gas Company.....	581	- 1 582
5. Carnegie Natural Gas Company.....	106	- - 106
6. Columbia Gas and Electric Company.....	132	- - 132
7. Manufacturers Light and Heat Company.....	7,778	148 - 7,926
Totals.....	43,271	633 10 43,914

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company,  
 December 31, 1912.

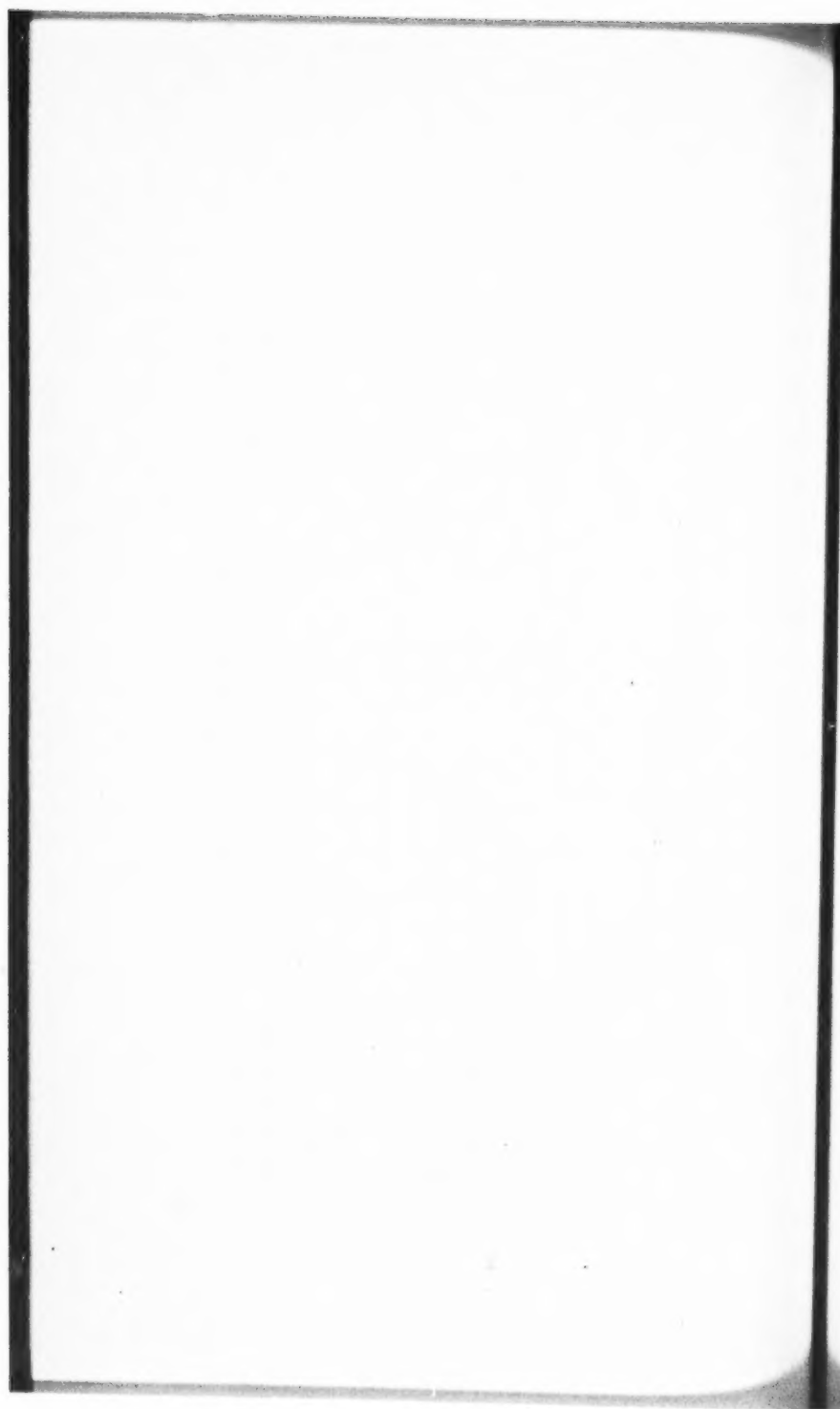
	Local		
	Domestic	Industrial Utilities	Total
1. Hope Natural Gas Company.....	14,560	262	4 14,826
2. Pittsburgh and West Virginia Gas Company.	3,185	37	4 3,226
3. United Fuel Gas Company.....	14,457	167	3 14,627
4. Reserve Gas Company.....	497	-	1 498
5. Carnegie Natural Gas Company.....	102	-	- 102
6. Columbia Gas and Electric Company.....	91	1	3 95
7. Manufacturers Light and Heat Company.....	7,159	171	1 7,331
Totals.....	40,051	638	16 40,705

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company,  
 and Manufacturers Light and Heat Company,  
 December 31, 1911.

	Domestic	Industrial	Local Utilities	Total
1. Hope Natural Gas Company.....	12,923	232	5	13,160
2. Pittsburgh and West Virginia Gas Company.....	3,088	66	3	3,157
3. United Fuel Gas Company.....	12,938	168	1	13,107
4. Reserve Gas Company.....	450	-	-	451
5. Carnegie Natural Gas Company.....	76	-	-	76
6. Columbia Gas and Electric Company.....	81	1	-	82
7. Manufacturers Light and Heat Company.....	5,883	192	1	6,076
Totals.....	35,439	659	11	36,109

Statement Showing Number of Consumers Within West Virginia Furnished Natural Gas by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company,  
 Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company  
 and Manufacturers Light and Heat Company,  
 December 31, 1910.

	Domestic	Industrial	Local Utilities	Total
1. Hope Natural Gas Company.....	12,627	259	2	12,888
2. Pittsburgh and West Virginia Gas Company.....	2,936	66	2	3,004
3. United Fuel Gas Company.....	11,635	35	1	11,671
4. Reserve Gas Company.....	227	-	2	229
5. Carnegie Natural Gas Company.....	75	-	-	75
6. Columbia Gas and Electric Company.....	-	-	-	-
7. Manufacturers Light and Heat Company.....	6,380	192	1	6,573
Totals.....	35,880	552	8	34,440



Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 Combined for the Seven Companies,  
 1911-1912.

W. Va. Exhibit No. 19, R.E.S.  
 (Introduced at page 1018, Record.)

	Furnished to West Virginia Consumers.				Transported, or Sold for Transportation, to Other States, M. Cu. Ft.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities M. Cu. Ft.	Total M. Cu. Ft.	
1919.....	9,110,775	17,939,642	2,310,394	29,360,811	135,065,530
1918.....	9,636,512	18,696,999	1,706,763	30,120,273	171,566,429
1917.....	8,031,416	16,612,359	2,196,099	26,839,876	196,627,901
1916.....	6,929,920	14,616,034	2,980,905	24,526,859	196,365,724
1915.....	6,342,959	11,535,182	982,726	18,860,867	151,833,628
1914.....	6,700,019	13,474,923	437,657	20,612,599	146,013,131
1913.....	6,536,590	15,108,590	652,497	22,297,677	145,600,069
1912.....	6,212,443	14,065,869	823,131	21,101,443	150,949,519
1911.....	4,606,910	11,702,093	969,744	17,200,747	130,230,499



Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 for the Year Ended December 31, 1919.

	Furnished to West Virginia Consumers.				Transported, or Sold for Transportation, to Other States M. Cu. Ft.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities M. Cu. Ft.	Total M. Cu. Ft.	
1. Hope Natural Gas Company.....	2,512,816	3,878,644	1,450,720	7,842,180	41,315,284
2. Pittsburgh and West Virginia Gas Co...	554,350	2,343,625	347,724	3,245,699	23,193,406
3. United Fuel Gas Company.....	4,335,112	7,754,233	200,518	12,290,863	16,742,462
4. Reserve Gas Company.....	79,429	-	-	79,429	14,619,509
5. Carnegie Natural Gas Company.....	142,966	527,122	311,432	981,522	9,816,290
6. Columbia Gas and Electric Company.....	33,747	59,915	-	93,662	15,386,404
7. Manufacturers Light and Heat Company..	1,452,353	3,376,103	-	4,828,456	13,991,175
Totals.....	9,110,775	17,939,642	2,510,594	29,560,911	135,065,530

Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 for the Year Ended December 31, 1919.

	Furnished to West Virginia Consumers.				Transported, or Sold for Transportation, to Other States M. Cu. Ft.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities.		
			M. Cu. Ft.	Total M. Cu. Ft.	
1. Hope Natural Gas Company.....	2,573,997	4,225,933	1,592,454	8,392,384	57,027,868
2. Pittsburgh and West Virginia Gas Co.....	567,646	2,858,751	51,563	3,477,960	29,855,653
3. United Fuel Gas Company.....	4,142,032	5,960,969	22,402	10,125,452	19,636,825
4. Reserve Gas Company.....	82,605	2,024,411	-	2,107,106	19,199,043
5. Carnegie Natural Gas Company.....	750,579	-	119,535	870,164	17,904,150
6. Columbia Gas and Electric Company.....	25,336	25,729	-	51,065	15,775,400
7. Manufacturers Light and Heat Co.....	1,494,237	3,601,207	758	5,096,232	14,155,470
Totals.....	9,636,512	18,695,999	1,766,752	30,120,273	171,555,429

Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 For the Year Ended December 31, 1917.

	Furnished to West Virginia Consumers.				Transported, or Sold for Transportation, to Other States M. Cu. ft.
	Domestic M. Cu. ft.	Industrial M. Cu. ft.	Local Utilities M. Cu. ft.	Total M. Cu. ft.	
1. Hope Natural Gas Company.....	2,534,237	14,663,134	2,143,070	19,340,441	70,799,928
2. Pittsburgh and West Virginia Gas Co....	544,277	2,463,130	-	3,027,407	34,856,443
3. United Fuel Gas Company.....	3,675,819	6,015,143	23,927	9,714,889	22,267,058
4. Reserve Gas Company.....	73,418	1,566,749	-	1,660,167	19,243,867
5. Carnegie Natural Gas Company.....	20,037	347,622	-	367,659	16,707,700
6. Columbia Gas and Electric Company.....	32,106	46,364	-	78,490	20,742,192
7. Manufacturers Light and Heat Co.....	<u>1,201,524</u>	<u>5,098,557</u>	<u>29,102</u>	<u>6,329,183</u>	<u>15,523,979</u>
	8,081,418	30,240,719	2,196,099	40,518,236	196,627,901
Less Gas Used for Field Purposes.....	-	<u>13,628,350</u>	-	<u>13,628,350</u>	-
Totals.....	8,081,418	16,612,369	2,196,099	26,889,876	196,627,901

Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.  
 For the Year Ended December 31, 1915.

	Furnished to West Virginia Consumers				Transported, or Sold for Transportation, to Other States M. Cu. Yr.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities M. Cu. Ft.	Total M. Cu. Ft.	
1. Hope Natural Gas Company.....	2,211,045	14,530,886	1,982,340	18,724,271	74,640,442
2. Pittsburgh and West Virginia Gas Co.....	464,667	1,803,693	-	2,268,580	36,516,307
3. United Fuel Gas Company.....	3,002,514	3,961,545	971,217	8,015,277	20,413,399
4. Reserve Gas Company.....	67,897	1,263,059	-	1,330,956	17,715,826
5. Carnegie Natural Gas Company.....	13,555	520,632	-	534,187	15,895,540
6. Columbia Gas and Electric Company.....	24,190	46,047	-	70,237	15,605,729
7. Manufacturers Light and Heat Co.....	1,054,832	5,328,752	27,248	6,920,932	15,578,481
Less Gas Used for Field Purposes.....	6,929,920	27,954,615	2,980,905	37,865,440	196,365,724
Totals.....	6,929,920	14,615,034	2,980,905	24,526,859	196,365,724

Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.  
 For the Year Ended December 31, 1915.

	Furnished to West Virginia Consumers.				Total	Transported, or Sold for Transportation, to Other States
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities M. Cu. Ft.	M. Cu. Ft.		
1. Hope Natural Gas Company.....	2,120,929	9,879,763	827,064	12,827,756	44,995,517	
2. Pittsburgh and West Virginia Gas Co....	432,523	1,687,450	12,351	2,132,324	35,137,703	
3. United Fuel Gas Company.....	2,739,727	3,220,144	121,462	6,081,333	15,251,732	
4. Reserve Gas Company.....	59,599	779,295	-	838,894	16,567,463	
5. Carnegie Natural Gas Company.....	8,863	247,075	-	255,938	14,866,629	
6. Columbia Gas and Electric Company.....	20,712	65,330	1,117	67,179	14,009,389	
7. Manufacturers Light and Heat Co.....	960,606	5,266,256	20,732	6,247,594	11,004,955	
Less Gas Used for Field Purposes.....	-	9,690,151	-	9,690,151	151,833,628	
Totals.....	6,342,959	11,535,162	982,726	18,860,867	151,833,628	

Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company.  
 For the Year Ended December 31, 1914.

	Furnished to West Virginia Consumers.				Transported, or Sold for Transportation, to Other States W. Va. Ft.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Utilities M. Cu. Ft.	Total M. Cu. Ft.	
1. Hope Natural Gas Company.....	2,100,765	11,864,719	403,235	14,368,719	50,918,935
2. Pittsburgh and West Virginia Gas Co.....	412,380	1,260,150	16,135	1,688,665	25,806,958
3. United Fuel Gas Company.....	2,773,154	3,910,159	-	6,683,313	14,455,686
4. Reserve Gas Company.....	58,266	625,941	-	684,227	17,643,889
5. Carnegie Natural Gas Company.....	403,615	-	-	403,615	14,044,865
6. Columbia Gas and Electric Company.....	13,252	-	-	13,252	15,991,282
7. Manufacturers Light and Heat Co.....	938,567	4,870,854	18,286	5,827,687	7,151,515
Less Gas Used for Field Purposes.....	6,700,019	22,531,803	437,657	29,669,479	146,013,131
420				9,056,880	-
	6,700,019	13,474,923	437,657	20,612,599	146,013,131



Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 for the Year Ended December 31, 1913.

	Furnished to West Virginia Consumers.				Transported, or Sold for Transportation, to Other States. M. Cu. Ft.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities M. Cu. Ft.	Total M. Cu. Ft.	
1. Hope Natural Gas Company.....	2,390,846	11,165,707	227,030	13,783,583	62,764,528
2. Pittsburgh and West Virginia Gas Co.....	452,832	1,467,934	374,490	2,295,256	19,835,497
3. United Fuel Gas Company.....	2,310,160	5,443,454	-	7,762,614	11,714,226
4. Reserve Gas Company.....	145,960	621,602	-	767,562	14,330,136
5. Carnegie Natural Gas Company.....	320,285	-	-	320,285	16,405,849
6. Columbia Gas and Electric Company .....	9,830	-	-	9,830	12,885,958
7. Manufacturers Light and Heat Co.....	897,677	4,884,005	50,977	5,832,659	7,653,875
	6,536,590	23,582,702	582,497	30,771,789	145,600,069
Less Gas Used for Field Purposes.....	-	8,474,112	-	8,474,112	-
Totals. ....	6,536,590	15,108,590	652,497	22,297,677	145,600,069

Statement Showing Distribution of Their Net Supply of West Virginia Natural Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 for the Year Ended December 31, 1912.

	Furnished to West Virginia Consumers.				Transported, or Sold for Transportation, to Other States.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities M. Cu. Ft.	Total M. Cu. Ft.	
1. Hope Natural Gas Company.....	2,336,856	9,065,773	293,798	11,696,427	67,143,714
2. Pittsburgh and West Virginia Gas Co.....	475,182	1,365,985	481,193	2,322,360	26,915,587
3. United Fuel Gas Company.....	2,130,272	7,116,218	-	9,246,490	9,108,654
4. Reserve Gas Company.....	135,861	423,024	-	564,885	10,955,725
5. Carnegie Natural Gas Company.....	298,741	-	-	298,741	16,750,500
6. Columbia Gas and Electric Company.....	10,467	3,210	-	13,677	12,323,707
7. Manufacturers Light and Heat Co.....	825,064	4,494,438	48,140	5,367,642	7,752,632
Less Gas Used for Field Purposes.....	6,212,443	22,474,646	823,131	29,510,222	150,949,519
Totals.....	6,212,443	14,065,869	823,131	21,101,443	150,949,519

Statement Showing Distribution of Their Net Supply of West Virginia Gas, by the  
 Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company,  
 Carnegie Natural Gas Company, Columbia Gas and Electric Company and Manufacturers Light and Heat Company,  
 for the Year Ended December 31, 1911.

	Furnished to West Virginia Consumers.				Total	Transported, or Sold for Transportation, to Other States. M. Cu. Ft.
	Domestic M. Cu. Ft.	Industrial M. Cu. Ft.	Local Utilities M. Cu. Ft.	M. Cu. Ft.		
1. Hope Natural Gas Company.....	1,906,358	9,183,893	133,007	11,223,258	57,668,040	
2. Pittsburgh and West Virginia Gas Co.....	78,118	1,546,615	756,737	2,381,470	24,940,093	
3. United Fuel Gas Company.....	1,760,610	4,054,638	-	5,815,248	7,487,049	
4. Reserve Gas Company.....	38,466	271,097	-	309,563	8,974,707	
5. Carnegie Natural Gas Company.....	149,685	-	-	149,685	13,220,061	
6. Columbia Gas and Electric Company.....	6,678	1,046	-	7,724	10,668,740	
7. Manufacturers Light and Heat Co.....	668,795	2,977,166	-	4,646,961	7,271,809	
	4,608,910	19,034,455	889,744	24,533,109	130,230,499	
Less Gas Used for Field Purposes.....	-	7,332,362	-	7,332,362	-	
Totals.....	4,608,910	11,702,093	889,744	17,200,747	130,230,499	

DATA:  
U.S.G.S.

CHART SHOWING CONSUMPTION OF NATURAL GAS  
FOR INDUSTRIAL PURPOSES, IN THE STATE OF

WEST VIRGINIA

INCLUDING GAS SOLD IN MARYLAND  
DURING 1914, 1915, 1916, 1917 AND 1918

WEST VA. No. 20  
EXHIBIT

THOUSAND  
CUBIC FEET

% OF  
TOTAL  
CONSUMPTION

% OF  
TOTAL  
PRODUCTION

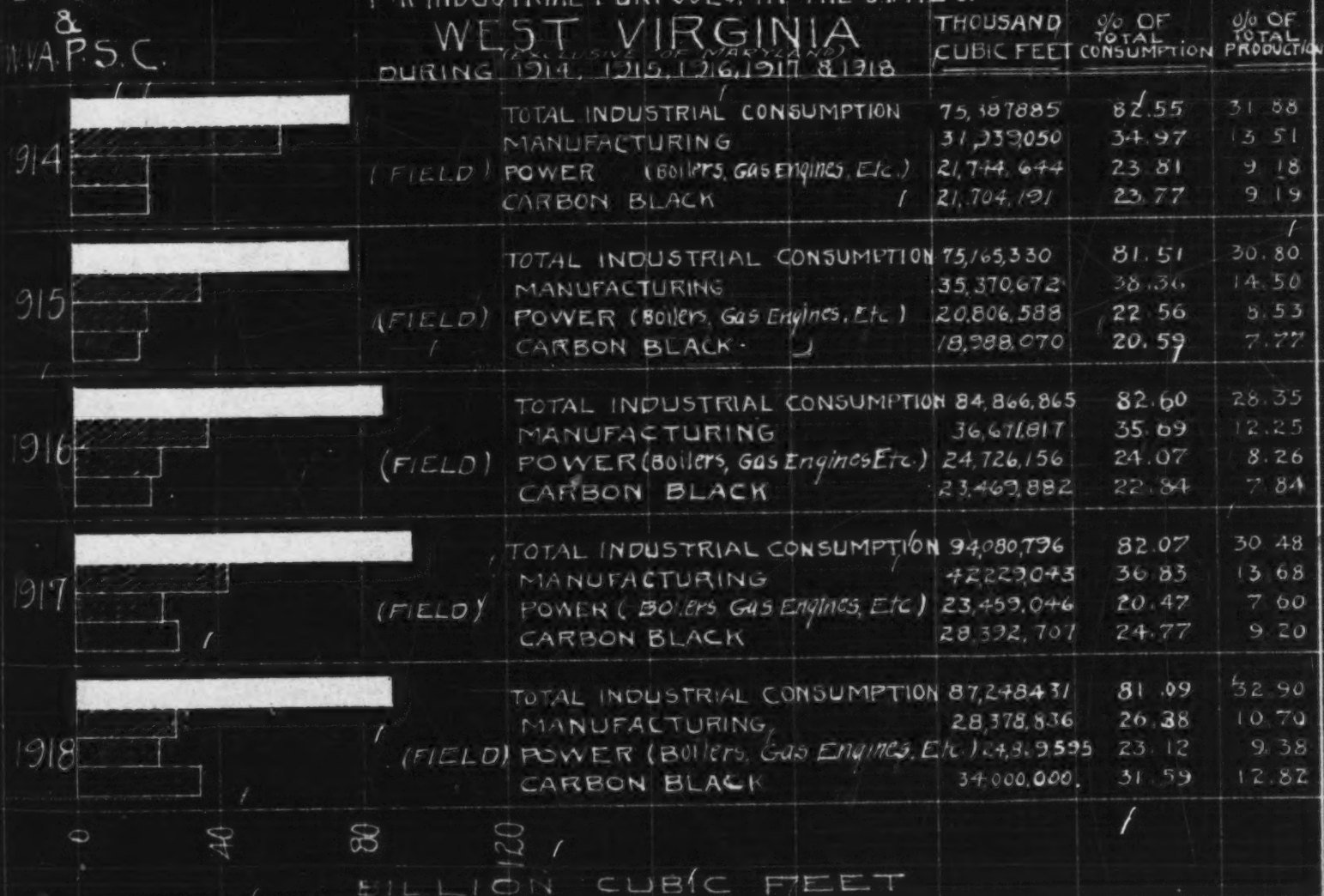
1914		TOTAL INDUSTRIAL CONSUMPTION	78,423,546	82.42	33.03
		MANUFACTURING	35,974,711	36.80	14.72
		(FIELD) POWER (Boilers, Gas Engines, Etc.)	21,744,644	22.52	9.19
		CARBON BLACK	21,704,191	27.80	9.12
1915		TOTAL INDUSTRIAL CONSUMPTION	77,083,600	81.15	31.53
		MANUFACTURING	37,288,942	39.26	15.28
		(FIELD) POWER (Boilers, Gas Engines, Etc.)	20,806,585	21.90	8.52
		CARBON BLACK	18,988,070	19.99	7.79
1916		TOTAL INDUSTRIAL CONSUMPTION	86,324,137	82.13	28.82
		MANUFACTURING	38,123,089	36.27	12.74
		(FIELD) POWER (Boilers, Gas Engines, Etc.)	24,726,156	23.52	8.24
		CARBON BLACK	23,469,882	22.34	7.84
1917		TOTAL INDUSTRIAL CONSUMPTION	94,230,183	81.59	30.53
		MANUFACTURING	42,478,430	36.78	13.76
		(FIELD) POWER (Boilers, Gas Engines, Etc.)	23,459,046	20.32	7.60
		CARBON BLACK	28,392,707	24.49	9.17
1918		TOTAL INDUSTRIAL CONSUMPTION	87,704,820	80.70	33.08
		MANUFACTURING	28,835,225	26.40	10.87
		(FIELD) POWER (Boilers, Gas Engines, Etc.)	24,861,595	23.00	9.39
		CARBON BLACK	34,000,000	31.30	12.82

BILLION, CUBIC FEET

DATA  
U.S.G.S.  
&  
W.V.A.P.S.C.

CHART SHOWING CONSUMPTION OF NATURAL GAS  
FOR INDUSTRIAL PURPOSES, IN THE STATE OF  
**WEST VIRGINIA**  
(EXCLUSIVE OF MARYLAND)  
DURING 1914, 1915, 1916, 1917 & 1918

WEST VA. No 21  
EXHIBIT 21



DATA  
1956

# DIAGRAM OF PRODUCTION AND CONSUMPTION OF NATURAL GAS IN THE STATE OF PENNSYLVANIA DURING THE YEARS 1914, 1915, 1916, 1917 & 1918

WEST VA. NO. 22  
EXHIBIT





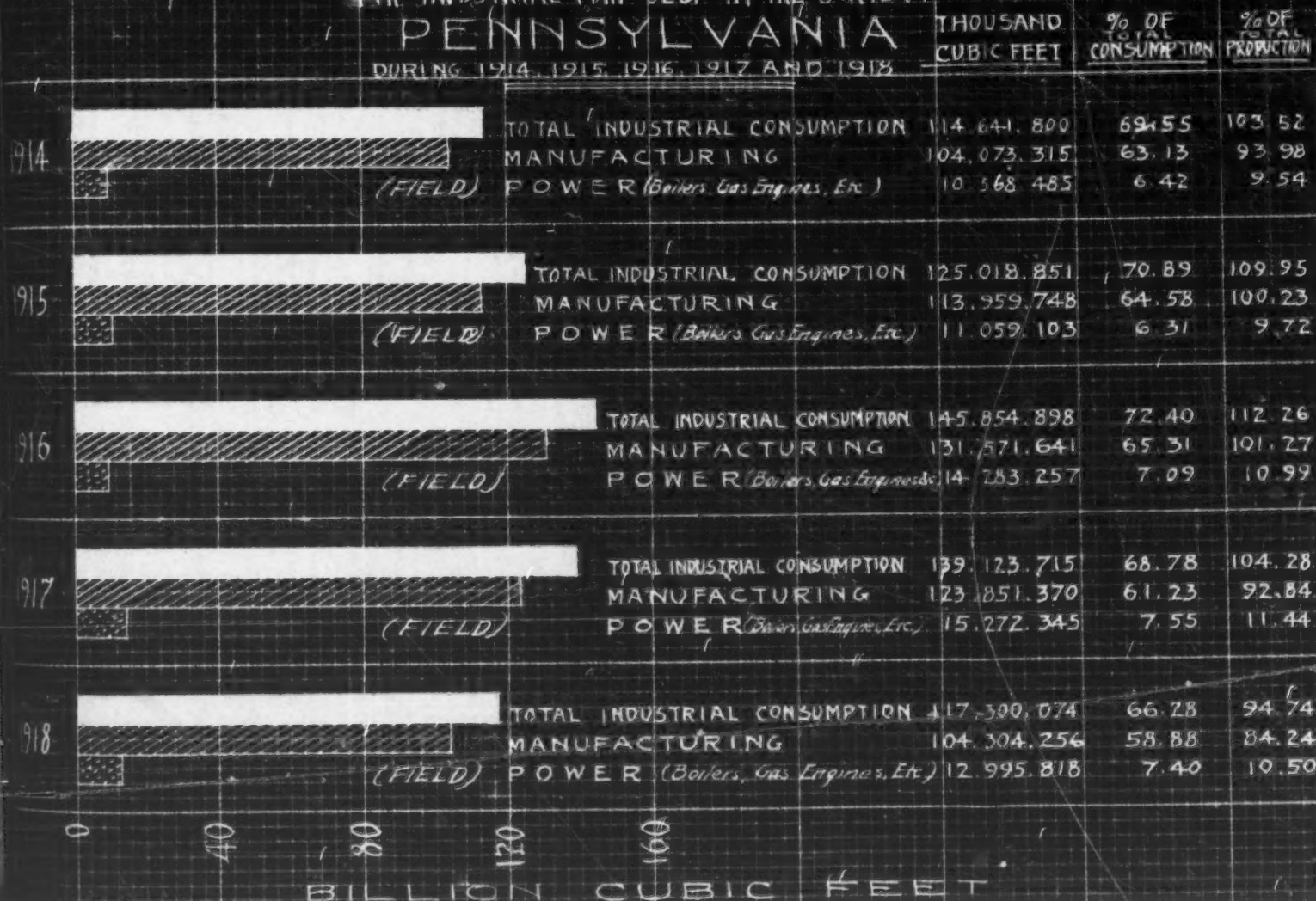
DATA:  
U.S.G.S.

# Chart showing Consumption of Natural Gas FOR INDUSTRIAL PURPOSES. IN THE STATE OF

## PENNSYLVANIA

DURING 1914, 1915, 1916, 1917 AND 1918

WEST VA. NO. 23 23  
EXHIBIT



DATA:-  
U.S.G.S.

# DIAGRAM OF PRODUCTION AND CONSUMPTION OF NATURAL GAS IN THE STATE OF OHIO

WEST VA. No 24  
EXHIBIT

DURING 1914, 1915, 1916, 1917-8-1918

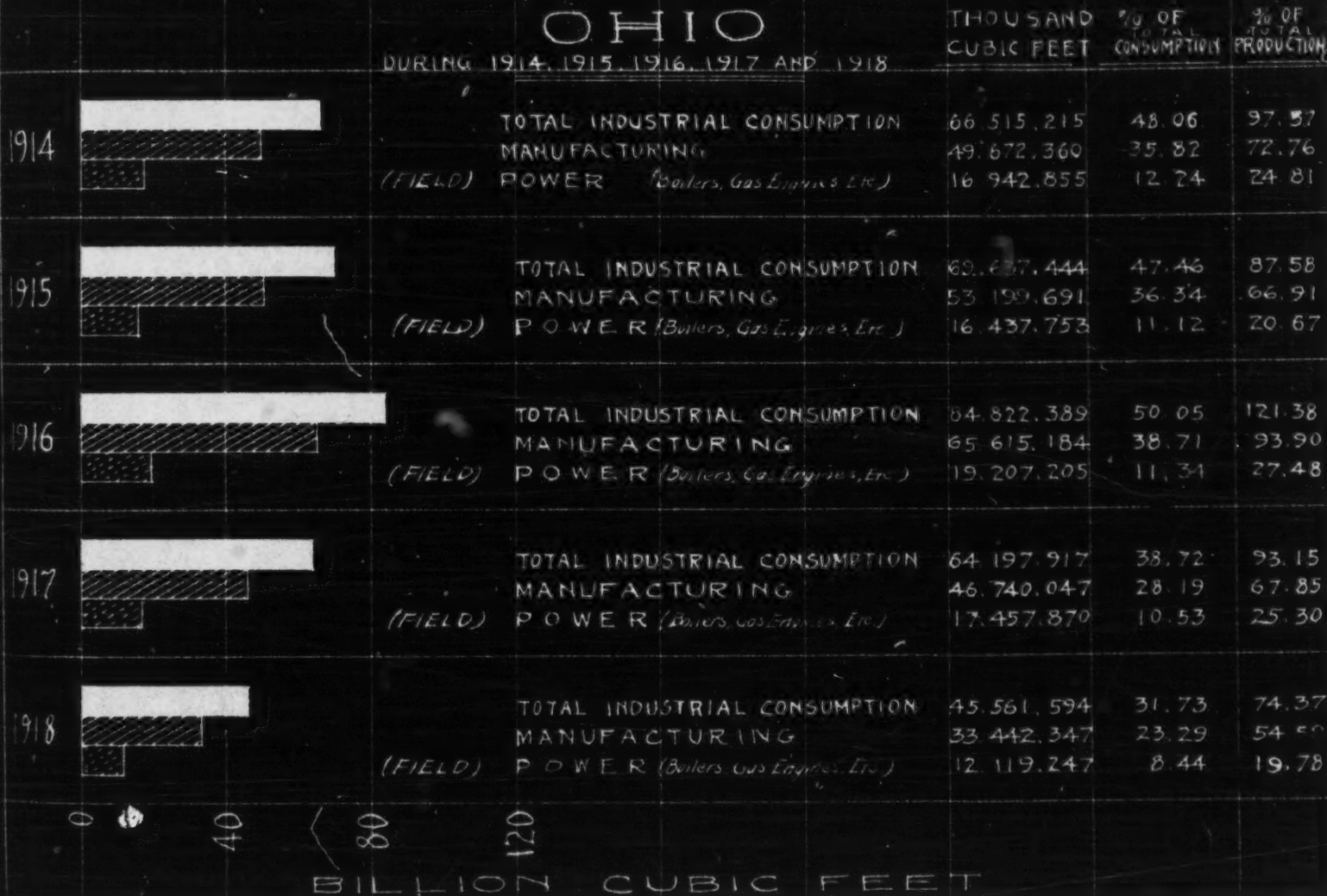


DATA-  
U.S.G.S.

Chart showing Consumption of Natural Gas  
FOR INDUSTRIAL PURPOSES, IN THE STATE OF  
**OHIO**

WEST VA. No. 25  
EXHIBIT

DURING 1914, 1915, 1916, 1917 AND 1918



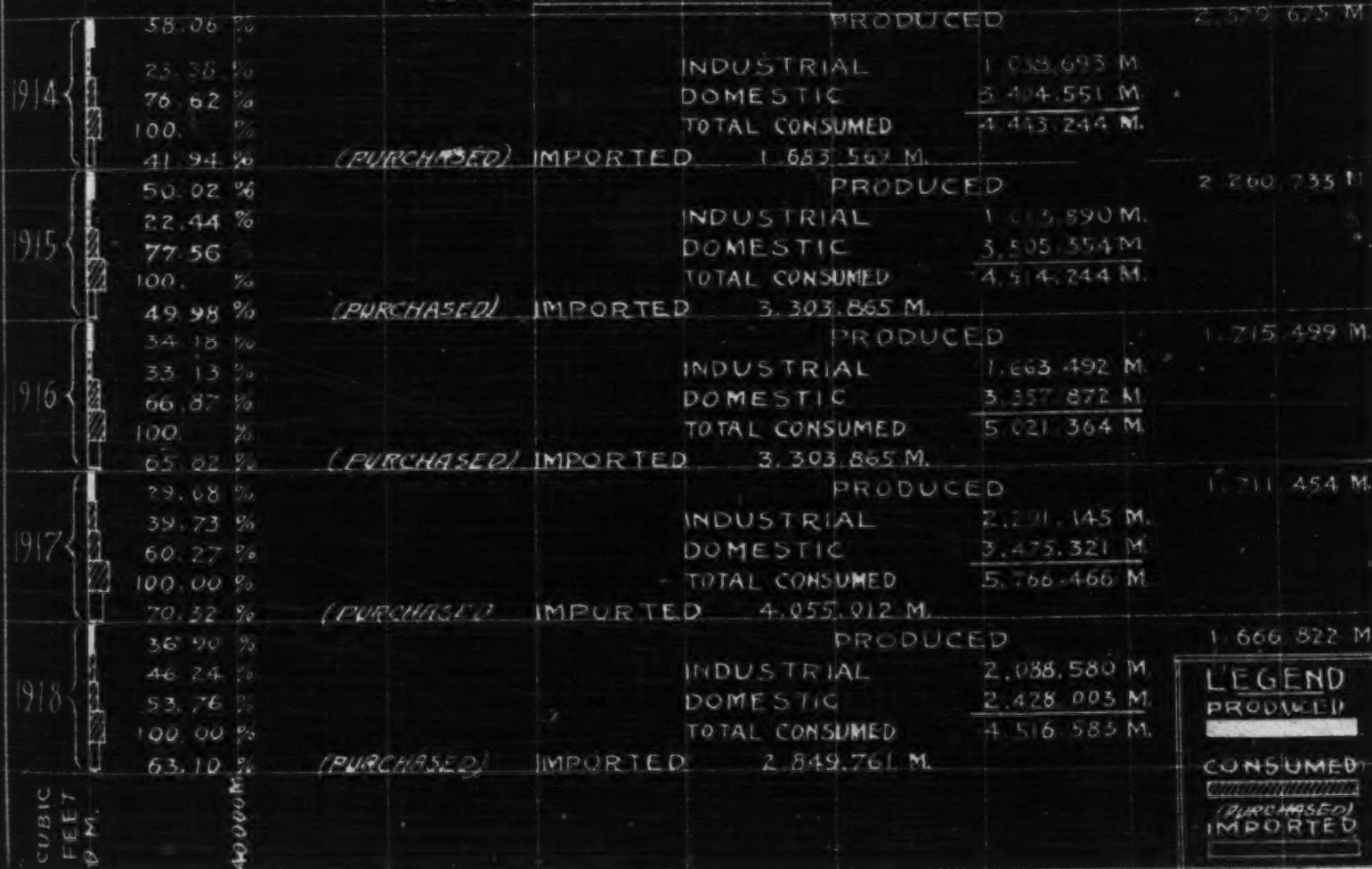


DATA:-  
U.S.G.S.

# DIAGRAM OF PRODUCTION AND CONSUMPTION OF NATURAL GAS IN THE STATE OF INDIANA

WEST VA. NO. 26  
EXHIBIT

DURING 1914 1915 1916 1917 & 1918



DATA:-  
U.S.G.S.

Chart showing Consumption of Natural Gas  
FOR INDUSTRIAL PURPOSES, IN THE STATE OF  
**INDIANA**

DURING 1914, 1915, 1916, 1917 AND 1918

WEST VA. No. 27 27  
EXHIBIT

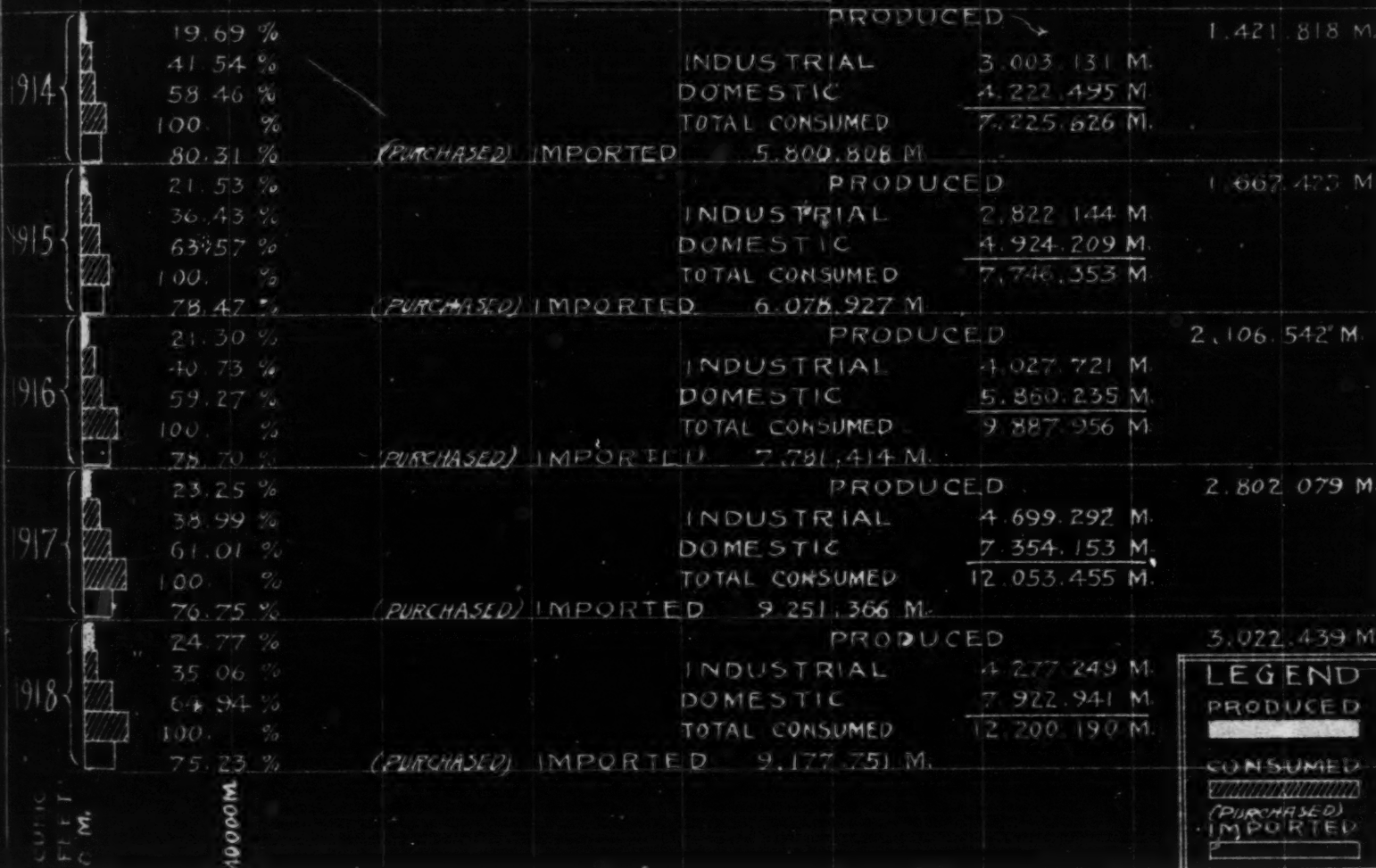
			THOUSAND CUBIC FEET	% OF TOTAL CONSUMPTION	% OF TOTAL PRODUCTION
1914		TOTAL INDUSTRIAL CONSUMPTION	1,038,693	23.38	40.06
		MANUFACTURING	737,195	16.59	28.37
	(FIELD)	POWER (Boilers, Gas Engines, Etc.)	301,498	6.79	11.69
1915		TOTAL INDUSTRIAL CONSUMPTION	1,013,890	22.44	44.85
		MANUFACTURING	777,902	17.23	34.41
	(FIELD)	POWER (Boilers, Gas Engines, Etc.)	235,988	5.23	10.44
1916		TOTAL INDUSTRIAL CONSUMPTION	1,663,492	33.13	96.97
		MANUFACTURING	1,550,489	30.88	90.38
	(FIELD)	POWER (Boilers, Gas Engines, Etc.)	113,003	2.25	6.59
1917		TOTAL INDUSTRIAL CONSUMPTION	2,291,145	39.73	134.22
		MANUFACTURING	2,022,169	35.06	118.50
	(FIELD)	POWER (Boilers, Gas Engines, Etc.)	268,976	4.67	15.72
1918		TOTAL INDUSTRIAL CONSUMPTION	2,088,580	46.24	125.29
		MANUFACTURING	1,446,267	32.02	86.76
	(FIELD)	POWER (Boilers, Gas Engines, Etc.)	642,313	14.22	38.53

BILLION CUBIC FEET

DATA:  
U.S.G.S.

# DIAGRAM OF PRODUCTION AND CONSUMPTION OF NATURAL GAS IN THE STATE OF KENTUCKY DURING 1914, 1915, 1916, 1917-8-1918

WEST VA. NO. 28  
EXHIBIT





DATA  
U.S.G.S

Chart showing Consumption of Natural Gas  
FOR INDUSTRIAL PURPOSES, IN THE STATE OF  
**KENTUCKY**  
DURING 1914, 1915, 1916, 1917 AND 1918

WEST VA. NO. 29 29  
EXHIBIT

		THOUSAND CUBIC FEET	% OF TOTAL CONSUMPTION	% OF TOTAL PRODUCTION
1914	TOTAL INDUSTRIAL CONSUMPTION	3,003,131	41.54	211.21
	MANUFACTURING	2,040,404	28.23	143.50
	(FIELD) POWER (Boilers, Gas Engines, Etc.)	962,727	13.31	67.71
1915	TOTAL INDUSTRIAL CONSUMPTION	2,822,144	36.43	169.24
	MANUFACTURING	2,424,063	31.31	145.37
	(FIELD) POWER (Boilers, Gas Engines, Etc.)	398,081	5.12	23.87
1916	TOTAL INDUSTRIAL CONSUMPTION	4,027,721	40.73	191.19
	MANUFACTURING	3,563,704	36.04	169.17
	(FIELD) POWER (Boilers, Gas Engines, Etc.)	464,017	4.69	22.02
1917	TOTAL INDUSTRIAL CONSUMPTION	4,699,292	38.99	167.69
	MANUFACTURING	3,933,829	32.64	140.38
	(FIELD) POWER (Boilers, Gas Engines, Etc.)	765,463	6.35	27.31
1918	TOTAL INDUSTRIAL CONSUMPTION	4,277,249	35.06	141.51
	MANUFACTURING	3,715,210	30.45	122.92
	(FIELD) POWER (Boilers, Gas Engines, Etc.)	562,039	4.61	18.59

BILLION CUBIC FEET

**CHART**

**TOO**

**LARGE**

**FOR**

**FILMING**

DATA -  
U.S.G.S.

# DIAGRAM OF PRODUCTION AND CONSUMPTION OF NATURAL GAS IN THE STATE OF WEST VIRGINIA (INCLUDING GAS SOLD IN MARYLAND) DURING 1914, 1915, 1916, 1917 & 1918

WEST VA. NO. 31  
EXHIBIT

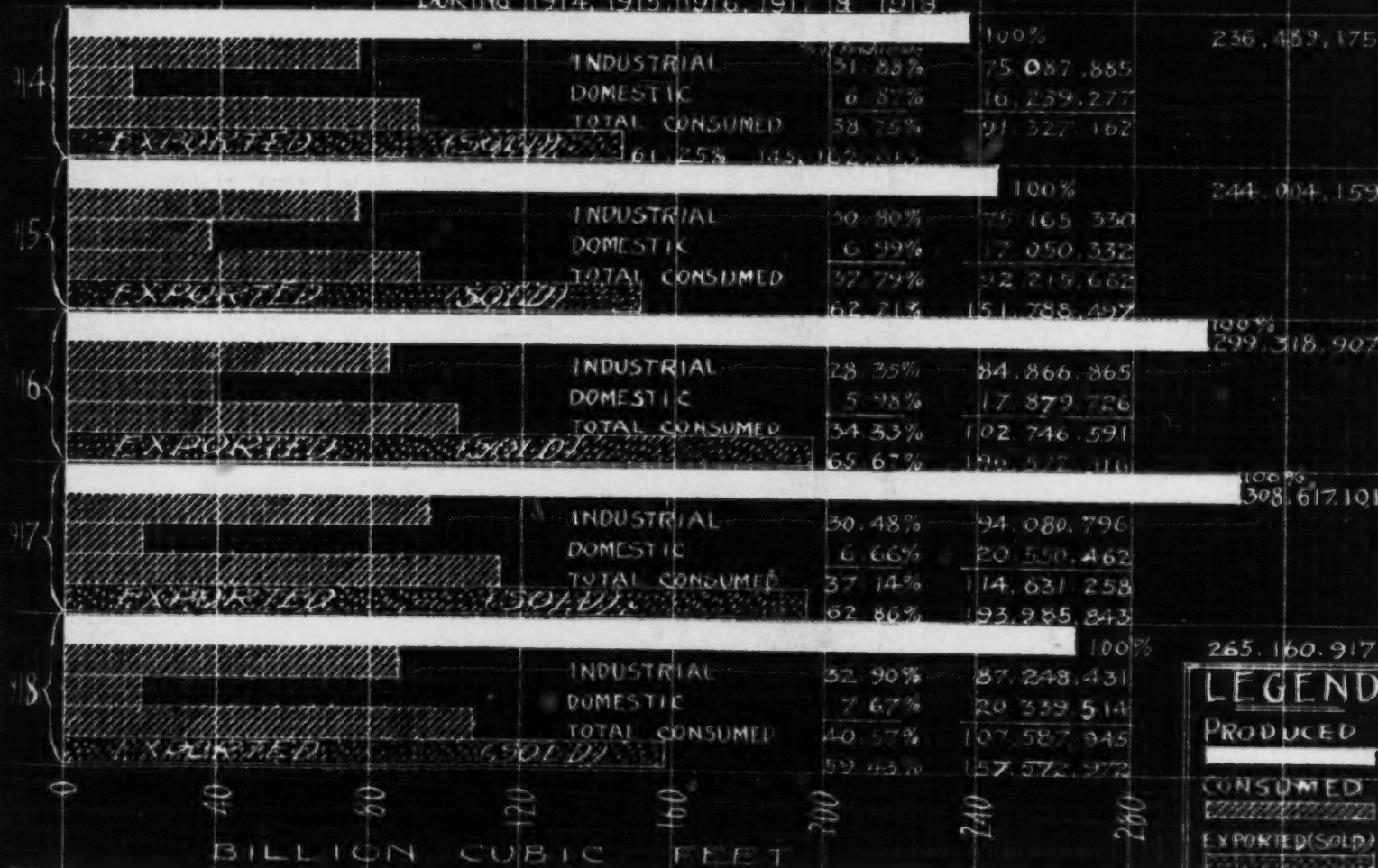


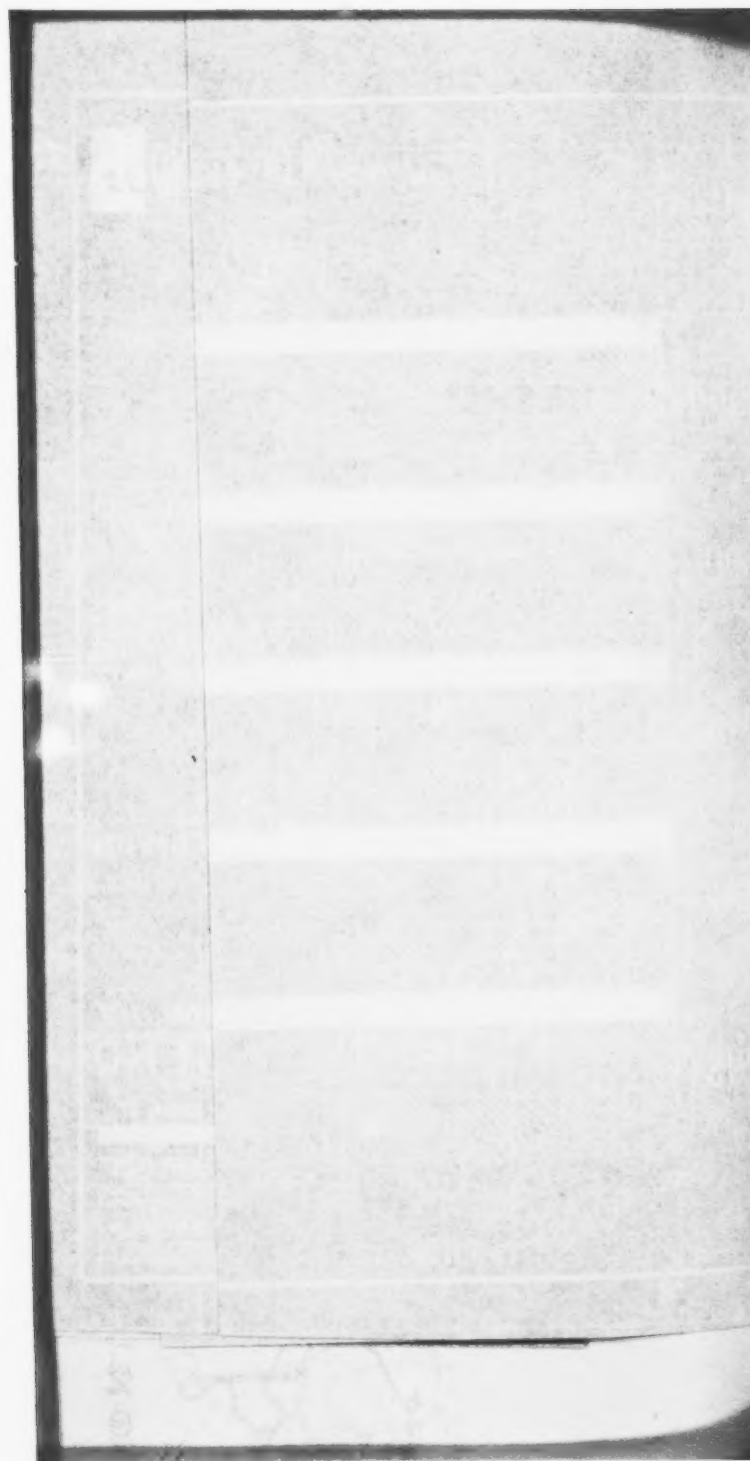
DATA:  
U.S.G.S.

# DIAGRAM OF PRODUCTION AND CONSUMPTION OF NATURAL GAS IN THE STATE OF WEST VIRGINIA (EXCLUSIVE OF MARYLAND) DURING 1914, 1915, 1916, 1917 & 1918.

WEST VA. No. 32  
EXHIBIT

32







451

## W. VA. Ex. 33.

Wheeling Natural Gas Co. et al

to

Hope Natural Gas Co.

*Assignment.*

NOTE.—At page 1171 of the printed record the Commissioner suggested that the indenture by the Wheeling Natural Gas Company and others to the Hope Natural Gas Company, dated June 27, 1911, proof of statistical contents of which was offered as tabulation of a voluminous document, be "marked as an exhibit, not to be printed in the record, but to be preserved as an exhibit in the case in the same way that certain maps are being preserved—without preparation to have the same printed or copied into the record. Counsel for the complainant can then have access to the exhibit as part of the case to make any correction of the commissions which the witness, Nease, is prepared to draw from the document in his condensed form." Whereupon counsel for the State of West Virginia accepted the suggestion of the Commissioner and offered in evidence an attested copy of said indenture, marked for identification West Virginia Exhibit No. 33.

452

## W. VA. Ex. 34.

Mountain State Gas Co.

to

Hope Natural Gas Co.

*Indenture.*

NOTE.—At page 1173 of the printed record, the Commissioner suggested that the same disposition be made of the indenture by the Mountain State Gas Company to the Hope Natural Gas Company, dated April 1, 1910, as was made of the indenture of the Wheeling Natural Gas Company and others to the Hope Natural Gas Company (at page 1171 of the printed record), to be marked as an exhibit, not to be printed in the record, but to be preserved as an exhibit in the case. Whereupon an attested copy of said indenture from the Mountain State Gas Company to the Hope Natural Gas Company was put in evidence to be marked for identification West Virginia Exhibit No. 34.



453 UNITED FUEL AND LOUISVILLE COS.' W. VA. EX. 35.

W. VA. EX. 35. J. B. S.

(Introduced at Page 1199, Record.)

This agreement, made and entered into this 5th day of July, 1913, by and between United Fuel Gas Company, a West Virginia corporation, party of the first part, hereinafter called "United Company", and, Louisville Gas and Electric Company, a Kentucky corporation, party of the second part, hereinafter call- "second party":

Whereas, United Company is the owner of natural gas wells, gas rights, gas leases and gas producing contracts in the States of West Virginia and Kentucky and is the owner of pipe lines through which the natural gas produced from its properties and leases and purchased under its contracts can be transported to a measuring station in or near the village of Inez, Martin County, Kentucky, herein-after more particularly referred to; and

Whereas, Second Party owns an extensive distributing system for the distribution of gas in the city of Louisville, Kentucky, and in its neighborhood and desires to supply the consumers upon said system with natural gas; and

Whereas, Second Party has made arrangements for the construction of a twelve-inch pipe line for the transportation of natural gas from the measuring station near Inez, to Louisville, which will be owned or controlled by it, and desires to enter into a contract for the purchase of natural gas at said measuring station.

Now, therefore, this agreement witnesseth that the parties hereto, in consideration of the premises, and of their mutual covenants and agreements herein contained, have agreed and do hereby agree as follows:

First. United Company agrees to construct a measuring station at a convenient point to be agreed upon by the parties hereto at or near the said village of Inez, and to connect same with its own lines and with Second Party's line, so as to be prepared to furnish and deliver gas through said twelve-inch line as soon as said pipe line is fully completed and ready for operation. The said measuring station shall be known as "Inez Station", and shall be equipped with Standard Pitot tubes or such other accurate measuring devices as the parties hereto may subsequently agree upon in substitution for said Pitot tubes; all apparatus and equipment to be installed and operated in said station, and the character and efficiency thereof, shall be satisfactory to Second Party. The cost of erecting and equipping the said station, and of operating and maintaining same, and of reading,

checking and registering the measuring devices therein, shall  
454 be wholly borne and paid for by United Company. The said station shall be operated by United Company, but shall be open at all times to the inspection of Second Party and its representatives, who shall also have the right to place therein one or more represent-

atives day and night to check the readings of the water tubes and pressure gauges therein made by the representatives of the United Company, and also to make their own readings of the said tubes and gauges, and check and carry away a record thereof, as well as memoranda therefrom and copies of the readings made by the representatives of United Company; but Second Party shall bear and pay the whole expense of Second Party's representatives in such stations.

Second. Second Party agrees to cause the 12-inch pipe line hereinbefore referred to, to be constructed and completed in accordance with the terms of the contract for the construction of the same hereinbefore referred to, or in case the other parties to said contract fail so to construct and complete said pipe line, that it, the said Second Party will nevertheless cause said pipe line to be constructed and completed with all due diligence. It is understood and agreed that the said twelve-inch line is to be used during the life of this contract or any renewal or extension thereof for the sole purpose of delivering the quantities of natural gas deliverable under this contract, and so long as United Company shall be able to comply with the terms and conditions of this contract its capacity shall be reserved for this purpose. United Company undertakes and agrees to sell Second Party, and Second Party agrees to purchase and take from United Company each year during the continuance of this contract (commencing upon the completion of the pipe line hereinbefore referred to, and the necessary connections) natural gas to an amount requisite for the supply of the consumers upon the distributing systems in and about the city of Louisville, now or hereafter owned by Second Party, and Second Party shall also have the right to purchase and take natural gas through said pipe line for the supply of such other consumers beyond the limits of said distributing systems, as can be conveniently supplied with natural gas through said pipe line; provided however, the quantity so taken by Second Party shall not exceed the capacity of the said twelve inch line with a pressure at the initial end thereof of three hundred and fifty pounds to the square inch. Nothing herein contained shall limit the right of the Second Party to purchase elsewhere any quantities of gas over and above the capacity of the said twelve-inch line, with an initial pressure of three hundred and fifty pounds to the square inch, but if the capacity of the pipe lines owned or controlled by Second Party or operated in its interest from the Kentucky-West Virginia border to Louisville, shall at any time or times be increased beyond the capacity of the twelve-inch line above mentioned, by additional construction or otherwise during the continuance of this agreement, then if United Company so elects, but not otherwise, this agreement shall be modified by substituting such increased capacity for the capacity of said twelve-inch pipe line as the limit of the quantity of gas to be taken hereunder, provided, however, that United Company shall in the case of every such increase exercise such election within ninety days after Second Party shall have called upon it so to do, offering to provide the increased capacity with all reasonable diligence.

Third. Seven months prior to January 1st during each year of the term of this contract Second Party shall give to United Company written notice specifying the amount of gas that is estimated to be required for the supply of the consumers upon the distributing systems hereinbefore referred to, during the year commencing January 1st, succeeding the time of such notice. United Company agrees to give Second Party written notice not less than five months prior to January 1st if in the judgment of the Manager of United Company the supply of gas available for delivery hereunder has so diminished that United Company will be unable to deliver to Second Party in the year beginning January 1st, following such notice as much gas as is being delivered during the current year; and United Company shall also give to Second Party written notice not less than sixty days after the receipt of said yearly estimate of Second Party if in the judgment of the Manager of United Company the supply of gas available for delivery hereunder is so diminished as to prevent United Company from delivering to Second Party the amount of such estimate United Company shall state in such notice an estimate of the amount of gas which United Company is able to deliver for the year embraced in the notice.

Fourth. The gas deliverable hereunder shall be delivered by United Company and taken by Second Party at the Inez measuring station hereinbefore provided for, and the amount of gas furnished and delivered hereunder at such point of delivery, shall be determined as follows:

Readings of the Pitot tubes or other measuring devices provided for shall be made at regular fifteen minute intervals throughout the twenty-four hours of each day, and duplicate statements of the readings shall be mailed daily to United Company and to Second Party. From such readings of the measuring tubes  
456 or devices the amount of natural gas furnished and delivered each month shall be computed on the basis of ten ounces pressure above atmospheric, according to Boyle's law for the measurement of gas at varying pressures. After the installation of the said station the atmospheric pressure and temperature for use in such computations shall be ascertained by actual tests made at the station over a period of time satisfactory to both parties hereto; but until such actual tests are completed 14.4 pounds per square inch is now adopted as the atmospheric pressure for such computations, and 60 degrees Fahrenheit as a fixed temperature. This method of measurement is hereby adopted as the basis of measurement for the purpose of this agreement and payments for gas shall be upon the monthly statements rendered by United Company to Second Party showing the total computation of gas so measured during the month.

Fifth. Second Party undertakes and agrees to pay to United Company for natural gas sold and delivered to Second Party by United Company hereunder the following prices, (the periods of time named are from the time after the first introduction of natural gas into Louisville, through said pipe line):

First six months.....	7½¢
Second six months.....	8¢
Second year.....	9¢
Third year.....	10¢
Fourth year.....	11¢
Fifth year.....	12¢
Sixth year.....	13¢
Seventh year.....	14¢
Eighth year.....	15¢
Ninth year.....	15¢
Tenth year.....	15¢
Eleventh year.....	15½¢
Twelfth year.....	15½¢
Thirteenth year.....	15½¢
Fourteenth year.....	16¢
Fifteenth year.....	16¢
Sixteenth year.....	16¢
Seventeenth year and succeeding years of the contract....	17½¢

Sixth. The above prices are in each case for one thousand cubic feet of natural gas measured at Inez station near the State Line between West Virginia and Kentucky, and on a basis of ten ounces pressure to the square inch, according to Boyle's law for the measurement of gas at varying pressures.

Seventh. It is further understood and agreed that in case any lawful tax or assessment is hereafter imposed on natural gas in any manner so as to constitute in effect a charge upon the gas delivered hereunder, the amount of such tax or assessment or charges shall be borne one-half by United Company and one-half by Second Party insofar as it effects or relates to, or is apportionable to the natural gas deliverable hereunder, and in the event the United Company is required to pay the same, one-half of the amount thereof shall be paid by Second Party to United Company in addition to the prices above stated.

Eighth. It is further understood and agreed that during the first three years after the commencement of the delivery of gas hereunder the difference between the requirements of the domestic consumers supplied from the aforesaid twelve-inch pipe line, and the capacity of the twelve-inch line at three hundred and fifty pounds pressure at Inez station, may be sold to manufacturers and factories, and during said three year period gas purchased by Second Party for such deliveries shall be sold to Second Party at prices ten per cent below the current prices for domestic gas as specified in the above table.

It is understood, however, that the furnishing of the agreed amount of gas at the reduced price is subject to the ability of United Company to furnish same without compression or pumping, and that if compression or pumping is necessary, the cost of such compression or pumping is to be added to the special prices for manufacturers' and factory gas. All gas sold below domestic rates

shall be deemed to be factory or manufacturers' gas within the meaning of this provision.

Ninth. United Company shall on or before the 10th day of each month render a statement and bill to Second Party for the gas purchased and taken during the month next preceding, ascertained in the manner hereinbefore provided for, and Second Party undertakes and agrees that on or before the 20th day of each month it will pay to United Company the amount due to United Company for all gas so delivered to Second Party during the month next preceding.

Tenth. At any and all times when gas is being sold to Second Party for factory purposes at a reduced rate as hereinbefore provided, Second Party shall render a statement to United Company on or before the 5th day of each month showing gas purchased and taken during the month next preceding for factory purposes at the reduced rate agreed upon.

The amount of gas so purchased and taken shall be paid for at the agreed reduced rate and the balance of the gas as shown by the measurements at Inez measuring station shall be accounted for and paid for as domestic gas at the prices provided for in the Fifth paragraph hereof.

458      Eleventh. If Second Party sells gas for factory purposes at a greater pressure than eight ounces same shall be reduced to eight ounces by applying the usual multiple to the end that all gas so sold for factory purposes shall be paid for under the terms of this contract on the basis of an eight ounce pressure. All gas sold for factory purposes shall be accurately metered by meters or measuring devices mutually satisfactory to the parties hereto, and the meters or other measuring devices set to register factory consumption shall be read daily. For the purpose of checking the statements rendered of gas sold for factory consumption, the books of all companies owning the distributing systems through which said gas is delivered shall be open to the properly accredited representatives of United Company for inspection and audit to such sufficient extent only to check up the statements furnished as to the sales of gas for factory purposes upon which the benefit of the reduced rate is claimed, and the meters or measuring devices used for the measuring of factory gas shall be subject to inspection and test by the representatives of United Company at all reasonable times, and shall also be inspected and tested from time to time by representatives of the several parties and when found to be defective or inaccurate the same shall be replaced and corrected.

Twelfth. No dominion or control over the natural gas delivered under this contract shall remain in United Company after the gas passes the point of delivery, nor shall United Company be responsible for or on account of anything that may be done, happen or arise touching said gas after it is delivered at Inez Station, and second party undertakes and agrees that it will at all times and from time to time keep free, save harmless and indemnify United

Company from any and all manner of claims, suits and damages on account of any conduct, act or thing touching said gas after it has left the said point of delivery.

Thirteenth. United Company undertakes and agrees that it will use reasonable diligence in developing and drilling on gas leases and property at the time controlled by it for the purpose of fulfilling its obligations hereunder and enabling it to deliver gas to the full capacity of said pipe line at a pressure of three hundred and fifty pounds to the square inch at the initial end thereof; but such maximum pressure of three hundred and fifty pounds to the square inch need not be maintained except during such periods of time as Second Party may from time to time demand in order to enable it to satisfactorily supply its consumers; and for the above purposes will also build, provide, maintain and operate in good order, 459 condition and manner such compressor stations, pipe lines from its said gas wells, connections and other facilities necessary therefore United Company further agrees that it will also use reasonable diligence consistent with good business judgment in obtaining and developing new gas leases and contracts for gas when the same become necessary in order to enable it to deliver gas under the terms of this contract and such extensions, leases and contracts can be obtained on a basis profitable to said United Company.

Fourteenth. It is mutually understood and agreed that where either party to this contract without fault or neglect on its part fails to perform any obligations herein assumed by it, and such failure is due to acts of God, or to a public enemy, strikes, riots, injunctions or other interference through legal proceedings, breakage, or accidents to machinery or lines of pipe, washouts, earthquakes storms, freezing of lines or wells, sudden, partial or entire failure of gas wells, or any cause beyond its control, or is caused by the necessity for making repairs or alterations in machinery or lines of pipe, such failure shall not be deemed to be a violation by such party of its obligations hereunder; but such party shall use due diligence to again put itself forthwith in position to carry out all the obligations which by the terms hereof it has assumed, and so far as possible shall give the other party notice in writing or by telephone or telegraph of the shutting off of gas to make repairs or alterations.

Fifteenth. Unless previously terminated pursuant to the provisions herein contained or by mutual consent of the parties hereto, this contract shall continue for the term of twenty years from its date. Upon the termination of said contract United Company agrees that it will make a contract with Second Party for a further period, provided United Company then has natural gas available for sale, and Second Party is willing to purchase the same on terms as favorable to United Company as United Company can obtain from other parties. Second Party likewise agrees that after the expiration of said contract period of twenty years it will make a contract with United Company for a further period if Second Party desires to purchase natural gas and United Company will sell the same to

Second Party on terms as favorable to Second Party as it can obtain from other parties.

It is mutually understood and agreed that if either party shall desire to avail itself of the right to a further contract herein  
460 given, it shall give notice of its election so to do at least twelve months before the expiration of the period of twenty years.

Sixteenth. The obligations of United Company at any time to deliver gas under this contract shall be limited to the amount of gas produced by United Company from gas fields then owned or leased by it and gas purchased by it under contracts then current for the purchase of gas which shall remain available for delivery hereunder after deducting from the total amount so produced and purchased;

(a) The quantities of natural gas necessary to supply at any and all times domestic consumers connected to United Company's own distributing system in West Virginia and domestic consumers in the towns in Ohio and Kentucky where it is now supplying natural gas directly to consumers and also natural gas now supplied to the distributing company in the town of Portsmouth, Ohio;

(b) The quantities of natural gas then deliverable to the Columbia Gas & Electric Company under a certain contract between United Company and that Company, dated December 1st, 1909, or under any renewal or renewals of said contract or by reason of the exercise at any time or times heretofore or hereafter by United Company of any of the options given to it by the terms of said contract, United Company hereby reserving to itself the right to extend such contract or hereafter to exercise any or all of said options;

(c) Such quantities, not exceeding the capacity of an eighteen inch pipe line, as United Company shall then be delivering to The Ohio Fuel Supply Company;

(d) Such quantities, not exceeding the capacity of an eighteen inch pipe line, as United Company shall then be delivering to the Hope Natural Gas Company;

(e) Such quantities, not exceeding the capacity of a ten inch pipe line, as United Company shall then be delivering to the Central Kentucky Natural Gas Company.

United Company reserves the right in the usual course of its business to surrender, exchange, sell or otherwise dispose of any part of the gas properties now or hereafter owned or leased by it; should, however, United Company desire to sell its gas properties as a whole it shall do so only subject to this agreement.

Seventeenth. It is mutually understood and agreed that in case Second Party shall fail to pay to United Company any amounts that may be due and payable hereunder to United Company within twenty days after such amount becomes due and payable, United



Company shall have the right, without cancelling this contract or waiving any of its rights hereunder, to suspend the delivery of natural gas hereunder until all amounts due it are paid, or at its option shall have the right to terminate this contract on thirty days' notice to Second Party without prejudice to its right to collect the amount due to it at the time of such termination of gas previously furnished hereunder.

Eighteenth. The gas to be delivered by United Company hereunder shall be the natural gas as it flows from the wells, except as the same may be changed or altered by the process of compression, pumping and transportation; but Second Party shall not be required to accept hereunder any gas which is not merchantable.

Nineteenth. This contract shall bind and run in favor of the parties hereto, and their respective successors and assigns; but shall not be assigned by either party without the consent of the other.

Twentieth. This contract executed in duplicate.

In witness whereof, the parties hereto have hereunto caused their corporate names to be signed by their respective Presidents or vice-presidents and their respective seals to be hereunto affixed by their respective Secretaries the day and year first above written.

[U. F. G. Co. Seal.] UNITED FUEL GAS COMPANY  
(INCORPORATED),  
By F. W. CRAWFORD,  
*President.*

Attest:  
H. C. REESER,  
*Secretary.*

[L. G. & E. Co. Seal.] LOUISVILLE GAS AND ELECTRIC COMPANY,  
By GEO. H. HAINES,  
*President.*

Attest:  
M. GRAF,  
*Secretary.*

463 UNITED FUEL AND PORTSMOUTH CO.'S W. VA. EX. 36.

(Introduced at page 1199, Record.)

W. VA. EX. #36. J. B. S.

This agreement, Made this 25th day of October, 1915, by and between United Fuel Gas Company, a corporation organized and existing under the laws of the State of West Virginia, hereinafter called the "United Fuel Company," party of the first part, and The Portsmouth Gas Company, a corporation organized and existing under the laws of the State of Ohio, hereinafter called the "Portsmouth Company," party of the second part,

Witnesseth:  
Whereas, the United Fuel Company is the successor in interest of the United States Natural Gas Company under a contract bearing

date the 25th day of September, 1905, between said last mentioned Company and the Portsmouth Company for the sale of natural gas to said Portsmouth Company to be distributed by it in the City of Portsmouth, Ohio, for a term of ten (10) years, ending on the 15th day of December, 1915; and

Whereas, the parties hereto have agreed upon terms for the sale of natural gas to the party of the second part by the party of the first part for an additional term of years as hereinafter set forth;

Now, therefore, this agreement witnesseth: That the parties hereto, in consideration of the premises and of their mutual covenants herein contained, have agreed and do hereby agree as follows:

First. The said contract of the 25th day of September, 1905, shall be and the same is, together with all of its terms, provisions and conditions, extended to the 1st day of January, 1916, except that the party of the first part relinquishes the options thereby given to it of renewing said contract for a term of ten (10) years and of purchasing the plant owned by the party of the second part. It is understood, however, that while said contract as extended shall terminate as of January 1, 1916, yet the prices paid by the Portsmouth Company to United Fuel Company for gas shall be governed by the terms of said original contract only to and including the meter readings, in the regular course of business of the Portsmouth Company, for the month of December, 1915, and thereafter for all gas furnished, the price shall be determined by the terms and provisions of this indenture.

Second. The United Fuel Company agrees to furnish to the Portsmouth Company at some convenient point near the easterly limit of the City of Portsmouth, to be selected by mutual agreement, and the Portsmouth Company agrees to take from and pay said United Fuel Company for all of the natural gas which the Portsmouth Company may sell or distribute to its class of consumers commonly classified as "domestic consumers" in the present corporate limits of said City of Portsmouth, for a term of ten (10) years, commencing on the 1st day of January, 1916, and ending on the 1st day of January, 1926. The obligation of the United Fuel Company under this paragraph is subject, however, to the limitations hereinafter set forth.

Third. The United Fuel Company agrees that it will construct, at its own cost and expense, at the location to be agreed upon as aforesaid, a suitable measuring station, and will install therein and maintain an orifice, pitot tubes or other standard measuring device for determining the amount of gas delivered to said Portsmouth Company and will furnish to said Portsmouth Company monthly statements of the amounts so delivered, accompanied by the original charts or reports. The amounts so delivered during each month for which such statement shall be furnished, shall be ascertained from the charts of such orifice or meter which may be in use or from the readings of such pitot tubes computed on the basis of ten (10) ounces above the atmospheric pressure of fourteen and four-tenths (14.4)

pounds per square inch according to Boyle's law for the measurement of gas at varying pressures, and on a temperature basis of forty (40) degrees Fahrenheit, flowing, and fifty (50) degrees Fahrenheit, storage, without further allowance for actual temperatures or barometric conditions. The Portsmouth Company shall have constant access to the meters or other measuring devices with the right to have its representatives verify all readings and reports and shall have the further right at any time, upon notice to the United Fuel Company, to require a special test of the meters or measuring devices. The cost of such special tests shall be borne by the Portsmouth Company if the result shows the meters to have been within three (3) per cent correct; otherwise such cost shall be borne by the selling party.

Fourth. The Portsmouth Company undertakes and agrees to pay the United Fuel Company for the natural gas sold and delivered hereunder the following prices:

For all gas delivered during the calendar year of 1916, including gas delivered after the meter readings for the month of December, 1915, seventeen (17) cents.

For all gas delivered during the calendar year of 1917, seventeen and one-fourth (17¼) cents.

For all gas delivered during the calendar year of 1918, seventeen and one-half (17½) cents.

For all gas delivered during the calendar year of 1919, eighteen (18) cents.

For all gas delivered during the calendar year of 1920, and each year thereafter of the term of this contract, nineteen (19) cents.

The above prices are in each case for one (1) thousand cubic feet of natural gas, measured in the manner hereinabove set forth.

Provided, however, that in the event the rate charged by the Portsmouth Company for natural gas supplied by it to its domestic consumers in said City of Portsmouth shall be increased to a higher rate than that now so charged, at any time during said term of ten (10) years, then for all the time which such higher rate may be charged by said Portsmouth Company, the latter agrees to pay to said United Fuel Company an additional price per thousand cubic feet to be determined as follows, viz: The additional price to be paid, in such event, by the Portsmouth Company to United Fuel Company shall be an amount per thousand cubic feet equal to thirty (30) per cent of the amount of increase in price per thousand cubic feet over the existing domestic rate charged by said Portsmouth Company for such part of the term of five (5) years, commencing on the 1st day of January, 1916, as the Portsmouth Company may charge a rate higher than the present rate and an amount equal to fifty (50) per cent of the amount of increase in price over said existing rate which may be charged by said Portsmouth Company for such part of the term of five (5) years, commencing on the 1st day of January, 1921, as the Portsmouth Company may charge a higher than the present rate.

Fifth. The obligations of the United Fuel Company at any time to deliver gas under this contract shall be limited to the amount of gas produced by it from gas fields then owned or leased by it and gas purchased by it under contracts then current for the purchase of gas, after deducting from the total amount so produced and purchased—

(a) The quantities of natural gas necessary to supply at any and all times domestic consumers connected to the now existing distributing systems of United Fuel Company in West Virginia, Ohio and Kentucky.

(b) The quantities then deliverable to the Ohio Fuel Supply Company under a contract between United Fuel Company and said Ohio Fuel Supply Company, bearing date the 19th day of September 1910.

(c) The quantities then deliverable to the Columbia Gas and Electric Company under a contract between United Fuel Company and said Columbia Gas and Electric Company, dated January 1 1913.

(d) The quantities then deliverable to the Hope Natural Gas Company or its assigns, under contract between United Fuel Company and said Hope Natural Gas Company, bearing date the 1st day of July, 1910.

(e) The quantities then deliverable to the Central Kentucky Natural Gas Company, under contract between United Fuel Company and said Central Kentucky Natural Gas Company, bearing date the 1st day of November, 1912.

(f) The quantities then deliverable to Louisville Gas and Electric Company under contract between United Fuel Company and said Louisville Gas and Electric Company, bearing date the 5th day of July, 1913.

The United Fuel Company reserves the right also in the usual course of its business to surrender, exchange, sell or otherwise dispose of any part of the gas properties now or hereafter owned or leased by it; should, however, the United Fuel Company desire to sell its gas properties as a whole it shall do so only subject to this agreement.

Sixth. In addition to the natural gas herein agreed to be sold by the party of the first part to the party of the second part for the use of consumers classified as domestic in said City of Portsmouth, the United Fuel Company further agrees to sell to the Portsmouth Company and deliver the same at the measuring station aforesaid, such additional quantities of natural gas, if any, as said United Fuel Company may have available, for sale by said Portsmouth Company to industrial or manufacturing consumers, for industrial or manufacturing purposes, in said City of Portsmouth, or in the immediate vicinity thereof, but only under express contracts between said

Portsmouth Company and such industrial or manufacturing consumers, which have first been approved by the United Fuel Company, limited as to time and subordinating the service of such consumers to the service of domestic consumers. For the gas supplied under this paragraph for the use of such industrial or manufacturing consumers of the Portsmouth Company, the latter agrees to pay to said United Fuel Company the sum of eight (8) cents per thousand cubic feet, computed according to Boyle's law in the manner above set forth for the measurement of the gas sold hereunder for domestic purposes; provided, however, in the event the Portsmouth Company shall at any time during said term of ten (10) years charge for gas sold by it to such industrial or manufacturing purposes, in the said city of Portsmouth, or the immediate vicinity thereof, a higher rate than that now charged by it to such consumers, then the rate to be paid by the Portsmouth Company to the United Fuel Company shall, during such time that said increased rate is so charged, be an amount in excess of said sum of eight (8) cents per thousand cubic feet, equal to thirty (30) per cent of the increase charged by said Portsmouth Company for the first five (5) years of said term, and equal to fifty (50) per cent of such increase for the second five (5) year term.

Seventh. The United Fuel Company shall on or before the 10th day of each month render a statement to the Portsmouth Company of the gas delivered during the month next preceding, and the Portsmouth Company agrees that on or before the 20th day of each month it will pay to the United Fuel Company the amount due for all gas so delivered during the month next preceding, and the Portsmouth Company agrees that on or before the 20th day of each month it will pay to the United Fuel Company the amount due for all gas so delivered during the next preceding month.

Eighth. At any and all times when gas is being sold to the Portsmouth Company for industrial or manufacturing purposes at the rate hereinbefore provided for such gas, the Portsmouth Company shall render a statement to the United Fuel Company on or before the 10th day of each month showing the amount of gas purchased and taken during the next preceding month for industrial or manufacturing purposes, and the United Fuel Company shall have full right and authority at any time to inspect the books, accounts, meters and appliances of the Portsmouth Company for verifying any such statement. The amount of gas sold, purchased and taken for manufacturing or industrial purposes each month shall be paid for at the rate above provided for such gas, and the balance of the gas taken by the Portsmouth Company as shown by the meter at the measuring station shall be accounted for and paid for as gas sold for domestic purposes at the prices provided in the Fourth paragraph hereof. All gas sold below domestic rates shall be deemed to be sold for manufacturing or industrial purposes within the meaning of this provision.

Ninth. Regardless of the pressure at which the Portsmouth Company may sell gas for manufacturing purposes, the calculation of the amount thereof shall be made on a basis of ten (10) ounces by applying the usual multiple to the end that all gas sold for such purposes shall be paid for under the terms of this contract on the basis of ten (10) ounces pressure. All gas sold for manufacturing or industrial purposes shall be accurately measured by meters mutually satisfactory to the parties hereto and such meters shall be read daily.

Tenth. No control over the natural gas delivered under this contract shall remain in the United Fuel Company after the gas passes the point of delivery in said measuring station, and the Portsmouth Company undertakes and agrees that it will save harmless and indemnify the United Fuel Company from any and all manner of claims, suits and damages on account of injury or loss, if any, caused by the said gas, or to which the said gas may contribute, after it has passed the said point of delivery, except such as may be occasioned by the negligence or default of the United Fuel Company.

Eleventh. The United Fuel Company undertakes and agrees that it will use reasonable diligence in developing and drilling gas lands at the time controlled by it in order to supply the said Portsmouth Company with the amount of gas required by the domestic consumers of the Portsmouth Company in the present corporate limits of the said City of Portsmouth, and will for the same purpose maintain and operate in good order its pipe lines and plant.

Twelfth. It is mutually understood and agreed that where either party to this contract, without fault or neglect on its part, fails to perform any obligation herein assumed by it and such failure is due to acts of God or a public enemy, strikes, riots, injunctions, breakage or accidents to machinery or pipe lines, earthquakes, storms, freezing of lines or wells, sudden, partial or entire failure of gas wells or any other cause beyond its control or is caused by the necessity for making repairs in machinery or pipe lines, such failure shall not be deemed a violation by such party of its obligations hereunder; but such party shall use diligence in re-commencing the performance of its obligations and shall so far as possible notify the other party in advance of any interruption in the service which can be foreseen.

Thirteenth. It is mutually understood and agreed that should the Portsmouth Company fail to pay to the United Fuel Company any amount which may be due and payable hereunder to the latter Company within twenty (20) days after such amount becomes due and payable, the United Fuel Company shall have the right, without cancelling its contract or waiving any of its rights hereunder, to suspend the delivery of natural gas until all amounts due to it are paid.

470 or, at its option, shall have the right to terminate this contract on thirty (30) days' notice to the Portsmouth Company without prejudice to its rights to collect the amount due to it at the time of such termination for gas previously furnished here



under. It is understood, however, should notice of termination be given under this provision, the same shall not become effective if the entire amount due with interest shall be paid by the Portsmouth Company within the thirty (30) days' period above provided for.

Fourteenth. This contract shall bind and extend to the parties hereto and to the successors and assigns of the party of the first part, but the interest of the party of the second part hereunder shall not be assigned without the written consent of the party of the first part.

In witness whereof the parties hereto have caused their corporate names to be signed by their respective officers thereunto duly authorized and their respective corporate seals to be hereunto affixed, all in duplicate, this the day and year first above written.

[SEAL.]

UNITED FUEL GAS COMPANY,  
By W. Y. CARTWRIGHT,  
*Vice-President.*

Attest:

L. A. SEYFFERT,  
*Asst. Secretary.*

[SEAL.]

THE PORTSMOUTH GAS COMPANY,  
By J. T. LYNN,  
*President.*

Attest:

D. M. GUAREY,  
*Secretary.*

STATE OF WEST VIRGINIA,  
*County of Kanawha, ss:*

I, D. C. Jay, a Notary Public of said County of Kanawha, do certify *the* W. Y. Cartwright personally appeared before me in my said County, and being by me duly sworn, did depose and say that he is the Vice-President of United Fuel Gas Company, one of the corporations described in the writing above, bearing date the 25th day of October, 1915, authorized by said corporation to execute and acknowledge deeds and other writings for said corporation, and that the seal affixed to the said writing is the corporate seal of said corporation, and that the said writing was signed and sealed by him on behalf of said corporation by its authority duly given. And the said W. Y. Cartwright acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this 28th day of July, A. D. 1916.

[Notarial Seal.]

D. C. JAY,  
*Notary Public.*

My commission expires on the 2nd day of March, 1925.

STATE OF MICHIGAN,  
*County of Wayne, ss:*

I, M. J. Tibbals, a Notary Public of said County of Wayne, do certify that J. T. Lynn personally appeared before me in my said County, and being by me duly sworn, did depose and say that he is the President of the Portsmouth Gas Company, one of the corporations described in the writing above, bearing date the 25th day of October, 1915, authorized by said corporation to execute and acknowledge deeds and other writings for said corporation, and that the seal fixed to the said writing is the corporate seal of said corporation, and that the said writing was signed and sealed by him on behalf of said corporation by its authority duly given. And the said J. G. Lynn acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this 15th day of June, A. D. 1916.

[Notarial Seal.]

M. J. TIBBALS,  
*Notary Public.*

My commission expires on the 7 day of February, 1919.

473 UNITED FUEL AND CENTRAL KY. CO.'S W. VA. EX. 37.

(Introduced at Page 1199, Record.)

W. VA. EX. No. 37. J. B. S.

This agreement, Made and entered into this 1st day of November A. D. 1912, by and between the United Fuel Gas Company, Incorporated, a West Virginia corporation, hereinafter called the "United Company," party of the first part, and the Central Kentucky Natural Gas Company, Incorporated, a Kentucky corporation, hereinafter called the "Kentucky Company," party of the second part;

Witnesseth: Whereas, the United Company is the owner of natural gas wells, gas rights and leases for gas purposes, and gas purchasing contracts in the states of West Virginia and Kentucky, and is the owner of a pipe line extending from its natural gas properties through or near the village of Inez, on the waters of Rock Castle Creek in Martin County, Kentucky; and

Whereas, the Kentucky Company is engaged in the business of producing and distributing natural gas in various cities and towns in the State of Kentucky where it is the owner of franchises, and desires to supplement its supply of natural gas by the construction of a 10 inch pipe line to the said village of Inez for the purpose of purchasing gas from the United Company:

Now therefore, in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto have agreed and do hereby agree as follows:

First. The Kentucky Company agrees to construct a 10 inch pipe line from its present main line in Menefee County, Kentucky, to said Village of Inez to the Junction or measuring station which is to be there erected as hereinafter provided; said 10 inch line shall be completed ready to be put into operation on or before December 1st, 1912.

Second. The United Company agrees to construct a measuring station at a convenient point on its main line at or near said village of Inez and to connect said measuring station to its own lines and to the said 10 inch line of Kentucky Company so as to be prepared to furnish and deliver gas to the Kentucky Company on December 1st, 1912. The said measuring station shall be known as "Inez Station" and shall be equipped with orifice meter, standard Pitot tubes or such other accurate measuring devices as the parties hereto may agree upon in substitution for said meter or Pitot tubes; all apparatus and equipment to be installed and operated in said station and the character and efficiency thereof shall be satisfactory to the Kentucky Company, which shall pay to the United Company one half of the cost of erecting and equipping said station and one half of the cost of operating and maintaining the same and of checking the operation and registration of the measuring apparatus. Said station shall, however, be operated by the United Company but at all times shall be open to the inspection of the Kentucky Company and its representatives.

Third. The United Company undertakes and agrees to sell and deliver to the Kentucky Company and the Kentucky Company undertakes and agrees to purchase and take from the United Company during each year (commencing December 1st and terminating November 30th) of the existence of this contract, natural gas of the volume of not less than 720,000,000 cubic feet, the exact amount deliverable each year to be determined in the manner hereinafter set forth; Provided, however, that the United Company shall not be obligated to sell and deliver to the Kentucky Company gas in excess of the amount which can be delivered at Inez Station under a pressure of 300 pounds to the square inch in the initial or Inez end of the said 10 inch line of the Kentucky Company, as now about to be constructed from Menefee County, nor in excess of the amount of gas which the United Company may have available for delivery as limited and defined in the Fifteenth article of this agreement.

Fourth. The amount to be delivered and purchased hereunder from December 1st, 1912, to November 30th, 1913, inclusive, is hereby fixed at 720,000,000 cubic feet and the proportion of the total volume to be delivered and taken in each month of each year during the continuance of this contract shall be as follows:

Month.	Per cent.	Month.	Per cent.
January .....	12.50	July .....	4.50
February .....	12.00	August .....	4.50
March .....	10.50	September .....	5.00
April .....	9.50	October .....	8.00
May .....	8.00	November .....	9.50
June .....	5.00	December .....	11.00

Fifth. If the Kentucky Company shall desire to purchase and take from the United Company in the year beginning December 1st, 1913, and in any year thereafter during the existence of this contract, a volume of gas in excess of 720,000,000 cubic feet and shall give written notice to the United Company not less than seven months prior to the 1st day of December of each year, specifying the amount of additional gas so desired, then the United Company agrees to sell and deliver and the Kentucky Company to purchase and take such additional volume upon the terms and prices herein stated, Provided that the United Company shall not be obligated to sell and deliver to the Kentucky Company gas in excess of the amount which can be delivered at Inez Station under a pressure of 300 pounds to the square inch in the Inez end of the said 10 inch line of the Kentucky Company, nor in excess of the amount of gas which the United Company may have available for delivery as limited and defined in the fifteenth article of this agreement.

The Kentucky Company after giving notice as aforesaid, 476 may from time to time thereafter further increase the amount of gas to be sold and taken hereunder by giving similar notices and subject to the same terms, limitations and conditions, but if no such notice is given seven months before December 1st of any year, then the amount deliverable during such year shall be the amount actually delivered during the preceding year; and the Kentucky Company shall not have the right by notice or otherwise to reduce the amount of gas deliverable in any year to an amount less than 720,000,000, nor to an amount more than 10% less than the amount taken in the next preceding year.

It is further provided that if the amount which the Kentucky Company estimates it will require for any year proves to be insufficient during December, January and February of such year and the United Company is able to and does furnish a larger amount of gas during such months than the estimate calls for, then and in that event the Kentucky Company shall take during the remaining months of such year an amount of gas as much greater than its estimate for such months as the amount of gas actually takes. During the months of December, January and February of such year exceeded the amount of gas estimated to be required for such three months. But if the amount which the United Company is able to deliver in December, January and February of any year proves to be less than the proportion deliverable during such months of the whole amount deliverable for such year, then and in that event the Kentucky Company shall not be obligated to take during the remainder of such

gas in any greater proportion of the amount deliverable for such remaining part of the year than the amount actually taken in December, January and February bears to the amount deliverable for such months, determined as hereinafter provided.

The United Company agrees to give to the Kentucky Company written notice not less than seven months prior to December 1st if the supply of gas available for delivery hereunder has so diminished as in the judgment of the Officers of the United Company to prevent the United Company from delivering to the Kentucky Company for the year beginning December 1st following such notice as much gas as is being delivered during the current year; and the United Company shall also give to the Kentucky Company written notice not less than 30 days after receipt of the estimate of the Kentucky Company of its requirements for the year commencing December 1st following such estimate, if the supply of gas available for delivery hereunder has so diminished as to prevent the United Company from delivering to the Kentucky Company the amount of such estimate; the United Company shall state in such notices an estimate of the amount of gas which the United Company is able to deliver for the year embraced in the notice. After the supply of the United Company has failed in any year to fulfill the requirements of the Kentucky Company hereunder, the Kentucky Company shall not be obligated to take thereafter in any succeeding year more gas than was delivered by the United Company in such previous year.

Sixth. The amount deliverable each month shall be delivered and taken throughout the month so far as practicable equal amounts being delivered and taken each day, provided, however, that the Kentucky Company shall have the right to reduce or increase the amount to be delivered during any month, so long as the amount delivered and taken is between 90 per cent and 110 per cent of the amount deliverable during such month, determined as hereinbefore provided; the Kentucky Company shall not be obligated to take and the United Company to deliver during any day or month more than the Kentucky Company shall currently require for all of its consumers and all of the consumers of companies supplied by it with gas, but it is understood that the Kentucky Company shall take during each year the full amount deliverable during such year, determined as hereinbefore provided.

Seventh. The gas deliverable hereunder shall be delivered by the United Company and taken by the Kentucky Company at the Inez measuring station hereinbefore provided for, and the amount of gas furnished and delivered hereunder at such point of delivery shall be determined as follows:

If Pitot tubes are installed readings thereof shall be made at regular 15 minute intervals throughout the 24 hours of each day, duplicate statements of the readings shall be mailed daily to the United Company and to the Kentucky Company, but if orifice or recording meters or devices are used, the pressure charts shall be lifted daily or as often as necessary by the United Company;

from such readings or charts and records of the measuring tubes or devices the amount of natural gas furnished and delivered each month shall be computed on the basis of 10 ounces pressure above atmospheric, according to Boyle's Law for the measurement of gas at varying pressures. Fourteen and four tenths pounds per square inch is adopted as atmospheric pressure for such computation. This method of measurement is hereby adopted as the basis for measurement for the purposes of this agreement and payments for gas shall be made upon the monthly statements rendered by the United Company to the Kentucky Company showing a computation of the total amount of gas so measured during the month; with said monthly statements the United Company shall send to the Kentucky Company for inspection the current meter charts, and if meters are used in place of Pitot tubes, and such charts shall be finally lodged with the United Company within 30 days after the receipt by the Kentucky Company.

Eighth. The Kentucky Company undertakes and agrees that it will pay to the United Company for the natural gas sold and delivered to it by the United Company hereunder, at the following prices:

For all gas sold and delivered to it up to and including November 30th, 1913, 9 cents per thousand cubic feet;

From December 1st, 1913, to and including November 30th, 1914, 10 cents per thousand cubic feet;

From December 1st, 1914, to and including November 30th, 1915, 11 cents per thousand cubic feet;

From December 1st, 1915, to and including November 30th, 1916, 12 cents per thousand cubic feet.

From December 1st, 1916, to and including November 30th, 1917, 13 cents per thousand cubic feet;

From December 1st, 1917, to and including November 30th, 1918, 14 cents per thousand cubic feet;

From December 1st, 1918, to and including November 30th, 1922, 15 cents per thousand cubic feet;

And for all natural gas sold and delivered to it from and after November 30th, 1922, during the existence of this contract, a price equivalent to 50 per cent of the average domestic rate in all of the distributing systems of the Kentucky Company, which price shall not in any event be less than  $17\frac{1}{2}$  cents per thousand cubic feet net, to the United Company; such average domestic rate shall be ascertained each month by dividing the total charges of the Kentucky Company for all gas sold during the month for domestic purposes including minimum rate charges for domestic natural gas service but excluding premium charges against consumers delinquent in payments, by the total amount of natural gas sold by the Kentucky Company during the same month for domestic purposes; and in case the Kentucky Company is selling gas to any other Company which in turn distributes the gas to the domestic consumers, no account of the rate at which such gas is sold in wholesale quantities.



by the Kentucky Company or the volume of gas so sold, shall be taken in ascertaining such average domestic rate, but the charges of such distributing company to consumers using gas for domestic purposes and the amount of gas sold by such distributing company for domestic purposes shall be taken into the computations in the same respect as if such gas was being distributed and charged for by the Kentucky Company directly to the domestic consumer.

Ninth. The United Company shall on or before the 10th day of each month render a statement and bill to the Kentucky Company for the gas purchased and taken during the month next preceding, ascertained in the manner hereinbefore provided for, and the Kentucky Company undertakes and agrees that on or before the 20th day of each month it will pay to the United Company the amount due to the United Company for all gas so delivered to the Kentucky Company during the month next preceding.

For each month beginning with the month of December, 1922, and thereafter during the continuance of this contract, the Kentucky Company shall furnish to the United Company on or before the 10th day of the month, a statement showing the amount of gas ascertained to have been delivered during the previous month to domestic consumers of the Kentucky Company, the total charges for gas sales to domestic consumers including minimum charges for gas service, but excluding premiums charges against consumers delinquent in payments, the gross receipts from sales of gas to domestic consumers, the number of domestic consumers so supplied and the amount ascertained to have been delivered during the previous month to other consumers; and the statement and bill to be rendered to the Kentucky Company by the United Company for gas purchased and taken during the month of December, 1922, and for each month thereafter, shall be based upon the average domestic rate computed from the records of gas sold to domestic consumers so recorded by the Kentucky Company.

Whenever called upon so to do by the United Company, the Kentucky Company shall furnish to United Company a statement showing the cities, towns and villages in which it is supplying gas to domestic consumers, the number of domestic consumers in each of said cities, towns and villages, and the rates at which it is furnishing gas in each of said places.

Tenth. For the purposes of this agreement domestic consumers shall be deemed to be all such consumers as according to the system of book-keeping heretofore used by the Kentucky Company have been classed as "domestic consumers:" domestic consumers supplied by the Kentucky Company shall be deemed to include domestic consumers upon distributing systems owned, leased, operated or controlled by the Kentucky Company, and domestic consumers upon distributing systems in any way or upon any plan supplied with natural gas by the Kentucky Company, and the charges for gas sold by the Kentucky Company for domestic purposes, shall, for the purposes of this agreement be deemed to include the charges

made by the Kentucky Company and by any such distributing companies for natural gas sales to domestic consumers including minimum charges for natural gas service to such consumers, but excluding premium charges against consumers delinquent in payments.

Eleventh. The amount of gas supplied by the Kentucky Company, or by companies distributing natural gas obtained from it to domestic consumers from and after December 1st, 1922, shall be accurately ascertained by meters, and an accurate record kept of such measurements, and all the records relating to the amount supplied shall at all times after December 1st, 1922, be open to the inspection of representatives of the United Company.

Twelfth. No dominion or control over the natural gas delivered under this contract shall remain in the United Company after the gas passes the point of delivery, nor shall the United Company be responsible for or on account of any thing that may be done, happen or arise touching said gas after it is delivered at Inez Station; and the Kentucky Company undertakes and agrees that it will at all times and from time to time keep free, save harmless and indemnify the United Company from any and all manner of claims, suits and damages on account of any conduct, act or thing touching the said gas after it has left the said point of delivery.

Thirteenth. The United Company undertakes and agrees that it will at all times during the continuance of this contract provide and maintain in good order and condition all such compressing stations, pipe lines, connections and other facilities as may be requisite in order to enable it to carry out its obligations under this contract and will use all reasonable diligence in developing and extending its gas leases and properties and in obtaining gas therefrom for the purpose of fulfilling its obligations hereunder, and will, if and when required so to do, to enable the Kentucky Company to give good service to its patrons, deliver the gas, up to the amount deliverable under the terms of this contract, at a pressure of 300 pounds per square inch at the initial end of the Kentucky Company's 10 inch line at Inez station.

Fourteenth. It is mutually understood and agreed that where either party to this contract fails to perform any obligation herein assumed by it, and such failure is due to Acts of God, or a public enemy, strikes, riots, injunctions or other interferences through legal proceedings, breakage or accident to machinery or lines of pipe, washouts, earthquakes, storms, freezing of lines or wells, sudden partial or entire failure of gas wells, or to any cause not due to the fault or neglect of such party, or is caused by the necessity for making repairs or alterations in machinery or lines of pipe, such failure shall not be deemed to be a violation by such party of its obligations hereunder, but such party shall use due diligence to again put itself in position to carry out all of the obligations which by the terms hereof it has assumed.

Fifteenth. In case the supply of gas available for delivery hereunder to the Kentucky Company so diminishes that the United Company is unable to deliver two million cubic feet on the average per day during the six winter months from November to April, inclusive, in any year and the Kentucky Company determines to take up its said 10 inch line and abandon its transportation of natural gas from Inez and tributary fields because it is unable to use a lesser amount under this contract to profitable advantage, then, and in that event the Kentucky Company shall have the right upon six (6) months' written notice to cancel this contract upon the payment of all sums which may be due for gas delivered to the day and time when such cancellation becomes effective. Unless previously terminated pursuant to the provisions herein contained or by mutual consent of the parties hereto, this contract shall continue for the term of 20 years from its date and so long thereafter as the United Company produces gas in marketable quantities from its gas properties in West Virginia and Kentucky. The obligation of the United Company at any time to deliver gas under this contract shall be limited to the amount of gas produced by the United Company from gas fields then owned or leased by it and gas purchased by it under contracts then current for the purchase of gas, consistently with its present or future contracts with other purchasers; provided, how-

ever, that the United Company is to have the right at any  
484 and all times to supply the domestic consumers connected to its own system and to the systems in West Virginia which it is supplying with gas, and to the Columbia Gas & Electric Company, the Ohio Fuel Supply Company, and Hope Natural Gas Company to the extent of their requirements for domestic consumers, in preference to the Kentucky Company, (after which preferences however the requirements of the Kentucky Company are to be supplied in preference to other purchasers), and Provided also that the obligations of the United Company to sell and deliver gas to the Kentucky Company hereunder are subject to its obligations to sell and deliver gas to the Columbia Gas & Electric Company under a certain contract with the Columbia Gas & Electric Company dated December 1st, 1909, and the United Company reserves the right to exercise the option to extend said contract therein contained and to exercise the other options given to it by the terms of said contract, and this contract is subject to all obligations incurred by the United Company by reason of the exercise of such options.

This contract is further subject to all the existing contracts of the United Company for the sale and delivery of gas to companies other than the Kentucky Company, all of which contracts have been submitted to and are known to the Kentucky Company.

This contract is also subject to the contract of the United Company with The Ohio Fuel Supply Company dated September 19th, 1910, and to the right of the United Company to enter into a contract or contracts with the Hope Natural Gas Company for the sale of gas to said Company in accordance with the provisions of a contract bearing date the 1st day of July, 1910.

The United Company reserves the right to surrender, exchange,

sell and dispose of any part of the gas properties now or hereafter owned or leased by it; should, however, the United Company desire to sell all of its gas properties, it shall do so only subject to this agreement.

485      Sixteenth. It is mutually understood and agreed that in case the Kentucky Company shall fail to pay to the United Company any amounts that may be due and payable hereunder to the United Company within 20 days after such amount becomes due and payable, the United Company shall have the right, without cancelling this contract or waiving any of its rights hereunder, to suspend the delivery of natural gas hereunder until all amounts due it are paid, or, at its option shall have the right to terminate this contract on 30 days' notice to the Kentucky Company without prejudice to its right to collect the amount due to it at the time of such termination for any gas previously furnished hereunder, and to recover such damages as it may sustain by the breach of this contract by the Kentucky Company.

Seventeenth. This contract shall be binding upon the parties hereto and their successors and assigns respectively, provided, however, that in case the gas distributing system now or hereafter owned or controlled by the Kentucky Company is broken up so that parts thereof are vested in different owners, the United Company at its option, shall have the right to terminate this contract; excepting that if under the terms of any city franchise now held by the Kentucky Company any city has the right to appraise and take and does appraise and take any city plant of the Kentucky Company, the Kentucky Company shall have the right at its option either to cut off such city from its distributing system or to continue gas service to such city, in either of which events the United Company shall not have the right to terminate this contract under this provision.

In witness whereof the parties hereto have hereunto caused their corporate names to be signed by their respective Presidents and their respective seals to be hereunto affixed by their respective Secretaries the day and year first above written.

[Corporate Seal.]

(Signed.)

UNITED FUEL GAS COMPANY,  
(INCORPORATED),

By F. W. CRAWFORD, *President.*

Attest:

H. C. REESER,

*Secretary.*

[Corporate Seal.]

CENTRAL KENTUCKY NATURAL  
GAS COMPANY (INCORPORATED),

By JOSEPH SEEP, *President.*

Attest:

ROBT. L. HAMPTON,

*Secretary.*

## UNITED FUEL AND OHIO FUEL COS.' W. VA. EX. 38.

[Introduced at Page 1199, Record.]

W. VA. EX. No. 38. J. B. S.

This contract, made and entered into this Nineteenth day of September, 1910, by and between the United Fuel Gas Company, a West Virginia Corporation, hereinafter called the "United Company", and The Ohio Fuel Supply Company, an Ohio Corporation, hereinafter called the "Ohio Company",—

Witnesseth:

Whereas, the United Company is the owner of natural gas wells, rights and leases for gas purposes in the State of West Virginia and is the owner of a pipe line extending from its natural gas territory in the State of West Virginia to the Ohio River at a point near Greenswood, West Virginia; and,

Whereas, the Ohio Company holds franchises and owns distributing systems for the distribution of natural gas in various cities, villages and towns in the State of Ohio, and is also the owner of a trunk pipe line extending from the Ohio River (where it connects with lines of the United Company) through the State of Ohio to or connected with the distributing system owned by the said Ohio Company in the various cities, villages and towns in the State of Ohio, hereinabove referred to:

Now, therefore, in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto have agreed and do hereby agree as follows:

First. It is mutually understood and agreed that all the rights of the parties hereto in respect to natural gas sold and delivered by the United Company to the Ohio Company from, on and after September 1, 1909, shall be ascertained and determined by and in accordance with the provisions of this agreement.

Second. The United Company undertakes and agrees during the continuance of this contract to sell and deliver to the Ohio Company and the Ohio Company undertakes and agrees to purchase and take from the United Company during each year (commencing July 1st and terminating June 30th) of the existence of this contract,—

(a) An amount of natural gas equal to the amount of natural gas found necessary during the preceding year to supply one-third of the domestic consumers connected to its system, plus ten per cent of such amount;

(b) Two-thirds of the total amount taken during the year is to be purchased and taken between November 1st and May 1st of each year, and one-third is to be purchased and taken between May 1st and November 1st of each year;

(c) The proportion of the total amount to be taken during any year which shall be taken in each month of such year, shall be, unless otherwise agreed as follows:

Month.	Per cent.
May .....	7½
June .....	4¾
July .....	4½
August .....	4½
September .....	4¾
October .....	7½
November .....	10½
December .....	12—
January .....	12½
February .....	12—
March .....	11—
April .....	8½

Provided, however, that except as hereinafter stated the United Company shall not be obligated to sell and deliver to the Ohio Company gas in excess of the amount which can be delivered at the Ohio River through the existing pipe line of the United Company from Spencer to the Ohio River under a pressure of 300 lbs. at the easterly end of the 18" line near Spencer, and the Ohio Company shall not be obligated to purchase and take gas in excess of the amount which can be transported through the existing trunk line of the Ohio Company as at present constructed from the Ohio River to Sugar Grove, Ohio, under a pressure of 275 lbs. at the Ohio River.

Third. It is understood and agreed between the parties hereto that the United Company will erect or cause to be erected a measuring station at the point of delivery at or near Ravenswood, West Virginia, which shall be equipped with standard Pitot Tubes, or such other measuring device as the parties hereto may desire. All apparatus and equipment to be installed and operated in said station and the character and efficiency thereof shall be satisfactory to the Ohio Company. The Ohio Company shall further pay to the United Company one-half of the cost of erecting and equipping said station.

Said station shall, however, be operated by the United Company but at all times shall be open to the inspection of the Ohio Company and its representatives and the expense of operating and maintaining said station and of checking the operation and registration of the measuring apparatus shall be divided between the parties hereto.

Fourth. The gas deliverable hereunder shall be delivered by the United Company and taken by the Ohio Company at the measuring station hereinbefore provided for and the amount of gas furnished and delivered hereunder at such point of delivery shall be determined as follows:

Readings of the Pitot Tubes or pressure gauges hereinbefore provided for shall be made at regular fifteen-minute intervals through-



ut the twenty-four hours of each day, and duplicate statements of  
e readings shall be mailed daily to the United Company and to  
e Ohio Company. From such readings of the measuring tubes or  
e devices, the amount of natural gas furnished and delivered each  
month shall be computed on the basis of ten ounces pressure above  
atmospheric according to Boyle's law for the measurement of gas at  
arying pressures. This method of measurement is hereby adopted  
s the basis of measurement for the purposes of this agreement and  
ayments for gas shall be made upon the monthly statements ren-  
ered by the United Company to the Ohio Company showing the  
otal computation of gas so measured during the month.

Fifth. No dominion or control over the natural gas delivered  
nder this contract shall remain in the United Company after the  
as passes the points of delivery, nor shall the United Company be  
esponsible for or on account of anything that may be done, happen  
r arise touching said gas after its delivery; and the Ohio Company  
undertakes and agrees that it will at all times and from time to time  
keep free, save harmless and indemnify the United Company from  
ny and all manner of claims, suits and damages on account of any  
onduct, act or thing touching the said gas after it has left the said  
oints of delivery.

191 Sixth. The United Company undertakes and agrees that at  
all times during the continuance of this contract it will pro-  
vide and maintain in good order and condition all such compressor  
stations, pipe lines, connections and other facilities as may be re-  
quisite in order to enable it to carry out its obligations under this  
contract; and will use all reasonable diligence in developing and ex-  
tending its gas leases and properties and in obtaining gas therefrom  
for the purpose of fulfilling its obligations hereunder and will, if  
and when required so to do by the Ohio Company, deliver the gas to  
be supplied by it hereunder at a pressure equivalent to 300 lbs. at the  
initial point of its 18" trunk line 22 miles East of Ravenswood.

Seventh. It is mutually understood and agreed that where either  
party to this contract fails to perform any obligation herein assumed  
by it, and such failure is due to acts of God, or a public enemy,  
strikes, riots, injunctions or other interference through legal pro-  
ceedings, breakage or accident to machinery or lines of pipe, wash-  
outs, earthquakes, storms, freezing of lines or wells, sudden partial  
or entire failure of gas wells, or to any cause not due to the fault or  
neglect of such party, or is caused by the necessity for making re-  
pairs or alterations in machinery or lines of pipe, such failure shall  
not be deemed to be a violation by such party of its obligations here-  
under, but such party shall use due diligence to again put itself in  
position to carry out all of the obligations which by the terms hereof  
it has assumed.

Eighth. Unless previously terminated pursuant to the provisions  
herein contained, or by mutual consent of the parties hereto, this  
contract shall continue so long as the United Company produces gas  
in marketable quantities from the gas fields owned by it in West

Virginia; but the United Company reserves the right in the ordinary course of its business to sell and dispose of the gas properties now or hereinafter owned or leased by it.

492 The obligations of the United Company to sell and deliver gas hereunder to the Ohio Company at any time are limited to the gas produced by the United Company from gas fields then owned or leased by it and gas purchased by it under contracts then current for the purchase of gas. The obligations of the United Company to sell and deliver gas to the Ohio Company hereunder are subject to its obligations to sell and deliver gas to the Columbia Gas & Electric Company, under a certain contract with the Columbia Gas & Electric Company, dated December 1st, 1909; and the United Company reserves the right to exercise the option to extend said contract therein contained and to exercise the other options given to it by the terms of said contract, and this contract is subject to all obligations incurred by the United Company by reason of the exercise of such options. This contract is further subject to all the existing contracts of the United Company for the sale and delivery of gas to companies other than The Ohio Fuel Supply Company and Hope Natural Gas Company, all of which contracts have been submitted to and are known to The Ohio Fuel Supply Company. This contract is also subject to the right of the United Company to enter into a contract or contracts with the Hope Natural Gas Company for the sale of gas to said Company, pursuant to which contract or contracts the United Company will be obligated to deliver to the Hope Natural Gas Company fifty-one (51) per cent of the amount of gas available for delivery to The Ohio Fuel Supply Company and the Hope Natural Gas Company, in case the requirements of the Hope Natural Gas Company under said contract or contracts equal fifty-one (51) per cent of said amount and said amount is not sufficient to fully supply the requirements of the Hope Natural Gas Company and The Ohio Fuel Supply Company. The United Company also reserves the right to supply all of its domestic consumers in West

Virginia and the domestic consumers in West Virginia of all  
493 companies whose capital stock, or a majority thereof, is owned by the United Company. The United Company shall have the right to use the gas obtained by it from the sources aforesaid for the purposes above specified and the rights of the Ohio Company hereunder shall be limited to the balance of the gas so obtained.

Ninth. The Ohio Company undertakes and agrees that it will pay to the United Company for natural gas sold and delivered to it by the United Company hereunder as follows:

For all natural gas sold and delivered to it up to and including December 31st, 1910, 8c per 1,000 cu. ft.

For all gas sold and delivered to it on and after January 1st, 1911, a price per 1,000 cu. ft. to be named by the Directors of the United Company; which price, however, the United Company covenants and agrees shall not exceed the cost of natural gas to it at the point of delivery hereinbefore specified, plus twenty-five per cent of such cost,

and shall not at any time prior to October 1st, 1914, exceed 10c per 1,000 cu. ft.

The cost to the United Company, upon which the price of natural gas to be delivered hereunder during each calendar year shall be based, shall be the cost of the gas produced and delivered during the twelve months ending on September 30th of the preceding year.

In reckoning the cost of natural gas to the United Company due consideration and allowance shall be made to cover depreciation of plant and diminution of value of plant and gas territory as gas is drawn from the field and the supply in the ground is reduced.

The United Company, shall, on or before the 1st day of December, in each year, notify the Ohio Company of the price to be charged for gas delivered during the next calendar year. If the Ohio Company claim that the price so fixed is in excess of cost plus twenty-five per cent, the Board of Directors of the United Company, on or before the 1st day of January, shall determine the cost to the United Company of gas produced and delivered hereunder during the year ending on the 30th day of the preceding September, and the determination of the Board of Directors of the United Company as to such cost made in good faith shall be final and conclusive.

Tenth. The United Company shall, on or before the tenth day of each month, render a statement and bill to the Ohio Company for the gas purchased and taken during the month next preceding, ascertained in the manner hereinbefore provided for; and the Ohio Company undertakes and agrees that on or before the fifteenth day of each month it will pay to the United Company the amount due to the United Company for all gas so delivered to them during the month next preceding.

Eleventh. It is mutually understood and agreed that in case the Ohio Company shall fail to pay to the United Company any amounts that may be due and payable hereunder to the United Company within twenty (20) days after such amount becomes due and payable, the United Company shall have the right, without cancelling this contract or waiving any of its rights hereunder, to suspend the delivery of natural gas hereunder until all amounts due to it are paid, or, at its option, shall have the right to terminate this contract on thirty (30) days' notice to the Ohio Company without prejudice to its right to collect the amounts due to it at the time of such termination for any gas previously furnished hereunder.

Twelfth. This contract shall be binding upon the parties hereto and their successors and assigns, respectively, provided, however, that in case the gas distributing system now or hereafter owned or controlled by the Ohio Company is broken up, so that parts thereof are vested in different owners, the United Company, at its option, shall have the right to terminate this contract.

Thirteenth. In case the Ohio Company hereafter, during the continuance of this contract, shall desire to purchase from the United Company a larger amount of gas than it is entitled, by the provisions

of the Second Paragraph hereof, to purchase and take,  
495 the United Company will sell and deliver to the Ohio Com-  
pany such larger amount of gas upon the following terms and  
conditions:

(a) The Ohio Company shall give to the United Company at least  
six (6) months' notice of its desire to take such larger amount of gas.

(b) In such notice the increased amount which the Ohio Com-  
pany desires to take shall be defined in such manner that the amount  
to be purchased and taken during each year can be ascertained prior  
to the commencement of such year.

(c) The Ohio Company after giving such notice shall be obli-  
gated from the dates named therein to purchase and take the amount  
of gas therein specified and to purchase and take the same during  
each month in the proportions specified in sub-divisions (b) and (c)  
of the Second Paragraph hereof.

(d) Insofar as the delivery of such larger amount of gas requires  
the United Company to construct additional trunk pipe lines from its  
gas fields to the point of delivery thereof, the Ohio Company shall  
pay to the United Company an amount equal to the entire cost of  
constructing and equipping such additional pipe lines; but there-  
after, in computing the cost to the United Company of gas sold and  
delivered to the Ohio Company hereunder, the cost of such addi-  
tional pipe lines and the depreciation thereof shall not be taken into  
account. In case the United Company shall cease to deliver gas  
through any such additional trunk line built and equipped at the  
entire expense of the Ohio Company, the United Company may at its  
option purchase said line at its junk value; or, in the event of the  
United Company electing not to purchase said line, the United Com-  
pany shall, if required so to do by the Ohio Company, take up and  
deliver said line to the Ohio Company and the Ohio Company shall  
re-pay to the United Company the entire cost of so doing.

(e) The obligations of the United Company to deliver such larger  
amount of gas shall be subject to all the limitations set forth in Para-  
graph Eighth hereof.

The Ohio Company, after giving notice as hereinbefore provided,  
may from time to time thereafter further increase the amount of gas  
to be sold and taken hereunder by giving similar notices and upon  
similar terms and conditions.

Fourteenth. The Ohio Company shall, on or before the 20th day  
of each month during the continuance of this contract, furnish to the  
United Company a statement showing the amount of gas ascertained  
to have been delivered during the previous month to the domestic  
consumers and the amount ascertained to have been delivered during  
the previous month to other consumers; and whenever called upon  
so to do by the United Company, shall furnish to the  
496 United Company a statement showing the cities, towns and  
villages in which it is supplying gas to the domestic consum-

and the number of domestic consumers in each of said cities, towns and villages and also showing the mains and location of the mains other than the domestic consumers' to whom it is supplying

fifteenth. For the purposes of this agreement domestic consumers shall be deemed to be all such consumers as according to the system of bookkeeping heretofore used by the Ohio Company have been treated as domestic consumers. The domestic consumers supplied by the Ohio Company shall be deemed to include domestic consumers upon distributing systems now owned by the Ohio Company and the domestic consumers upon distributing systems now owned by distributing companies (other than The North-Western Ohio Natural Gas Company) of which the Ohio Company owns a majority of the stock, and also the domestic consumers in the City of Cincinnati as supplied by the Ohio Company through the Union Gas & Electric Company of Cincinnati.

sixteenth. The amount of gas supplied by the Ohio Company to domestic consumers shall be accurately ascertained by meters or by other appropriate means of measurement, and all the records relating to the amount so supplied shall at all times be open to the inspection of the representatives of the United Company.

seventeenth. The books and records of the United Company insofar as the same in any way relate to the cost of the United Company of the gas supplied by it to the Ohio Company hereunder, or the amount of gas available for delivery hereunder to the Ohio Company, shall at all times be open to the inspection of the representatives of the Ohio Company.

In witness whereof, the parties hereto have hereunto caused their corporate names to be signed by their respective Vice Presidents and their respective seals to be hereunto affixed by their respective Secretaries the day and year first above written.

[Corporate Seal.]

(Signed) UNITED FUEL GAS COMPANY,  
By J. W. CRAWFORD,  
Vice President.

Witness:

GEO. H. JONES,  
Asst. Secretary.

[Corporate Seal.]

THE OHIO FUEL SUPPLY COMPANY,  
By F. W. CRAWFORD,  
Vice President.

Witness:

H. C. REESER,  
Secretary.

498

Charleston, W. Va., July 18, 1918.

Columbia Gas & Electric Company,  
Attention Mr. W. Y. Cartwright, Vice President,  
Fourth & Plum Sts., Cincinnati, Ohio, and

Ohio Fuel Supply Company,  
Attention Mr. L. B. Denning, Assistant to President,  
2017 Farmers Bank Bldg., Pittsburgh, Pa.

DEAR SIRs:

As a memorandum of the oral agreement reached on yesterday in pursuance of previous negotiations, with reference to the price to be paid to the United Fuel Gas Company for gas supplied by it to the Columbia Gas & Electric Company and the Ohio Fuel Supply Company, during the calendar year 1918, I would thank you to advise me whether the following is a correct statement of this agreement, and if so, entries covering the matter will be made upon our books:

First. For the first 10,000,000,000 cubic feet taken by the Columbia Gas & Electric Company and the first 9,800,000,000 cubic feet taken by the Ohio Fuel Supply Company, they are to pay respectively the sum of 7c per thousand cubic feet; and for any excess over 10,000,000,000 cubic feet taken by the Columbia Gas & Electric Company, or for any excess over 9,800,000,000 cubic feet taken by the Ohio Fuel Supply Company, during the calendar year 1918, they shall pay at the rate of 11c per thousand cubic feet, the latter being the price, during the year 1918, charged to the Hope Natural Gas Company and the Pittsburgh & West Virginia Gas Company. The foregoing, however, is subject to the qualification that, should the Columbia Gas & Electric Company take during said year less than 10,000,000,000 cubic feet, or should the Ohio Fuel Supply Company take less than 9,800,000,000 cubic feet, then the quantity

499 which each of said Companies shall have the right to purchase at the rate of 7c per thousand shall be limited to an entire quantity, of which the Columbia Gas & Electric Company shall have 51% and the Ohio Fuel Supply Company 49%. That is to say, if one of said Companies shall take less than the quantity above mentioned to which it is entitled at the 7c rate, then the other Company shall be entitled to take, at such 7c rate, either 2% more or 2% less, as the case may be, at the same rate. For all gas taken during said year by the Columbia Gas & Electric Company in excess of that to which it may be entitled under the last mentioned provision at the rate of 7c, but not in excess of the entire quantity of 10,000,000,000 cubic feet in said year, it shall pay at the rate of 10c; and for all gas taken by the Ohio Fuel Supply Company during said year in excess of the quantity to which it may be entitled at the 7c rate, but not in excess of the entire quantity of 9,800,000,000 cubic feet, it shall pay at the rate of 10c.

Second. For the gas taken by each of you during the remainder of this year, you will be billed at the rate of 7c per thousand cubic



et, subject to such adjustment at the end of the year as may be required to meet the foregoing stipulation. It is understood that each of you have been charged for the gas previously taken during this year at the rate of 10c, and a refund will be made to each of you at the rate of 3c per thousand as soon as this Company has the available cash for the purpose. We will make this refund to you at once, so as to give no preference to one Company over the other, but we do not agree to pay interest to either of you upon the amount to be refunded.

Third. In consideration of these concessions, each of you agree to relinquish any claim to the gasoline produced by this Company from the gas sold to each of you during this year, and you concede, for the time being, our right to extract the gasoline before delivering to you the gas. This agreement is made only for the year 1918, however, and is not to be used against either of you as an admission of our right to extract said gasoline in future years, nor as an admission against us of any right on your part to prevent our extraction of said gasoline, or of any right on your part to participate in the proceeds of said gasoline.

Fourth: The rights of all parties with reference to the subject matter of the foregoing shall continue to be governed by the provisions of the contract of July 31, 1916, except as modified by the agreement above recited as applicable to the year 1918.

Very respectfully yours,

(Signed)

UNITED FUEL GAS COMPANY,  
By R. G. ALTIZER,  
*Vice President.*

R. G. A./A.

Exhibit "Modification of Ohio Fuel Supply Company and Columbia Gas & Electric Company contracts."

01 [Endorsed:] United Fuel Gas Company and The Ohio Fuel Supply Company. Agreement.

02 UNITED FUEL AND HOPE Cos.' (1916) W. VA. Ex. 39.

(Introduced at Page 1199, Record.)

W. VA. Ex. No. 39. J. B. S.

This agreement, made and entered into this 25th day of August, 1916, by and between the United Fuel Gas Company, a West Virginia corporation, hereinafter called the "Selling Company," party of the first part, and the Hope Natural Gas Company, also a West Virginia corporation, hereinafter called the "Buying Company," party of the second part;

Witnesseth, Whereas, the "Selling Company" is the owner of natural gas wells and properties in the States of West Virginia, Ohio and Kentucky, and of contracts for the purchase of natural gas from other producers, and has a supply available for a large market, and

Whereas, the "Buying Company" in its business of distributing natural gas in towns and cities in West Virginia and of supplying other companies serving large communities in West Virginia, Ohio and Pennsylvania, requires additional gas for its customers, and

Whereas, the "Selling Company" is willing to construct a 20-inch pipe line from its properties a distance of about 40 miles to a point 2 miles east of Cedarville, in Gilmer County, West Virginia, providing the "Buying Company" will construct its pipe lines to said junction point, and will purchase gas to the extent of one-half of the delivery capacity of said 20-inch line, upon terms that the "Selling Company" may dispose of the remainder through similar contracts,

Now, therefore, in consideration of the premises and of the mutual covenants herein contained, the parties hereto have covenanted and agreed and do hereby covenant and agree as follows:

First. The "Selling Company" agrees to construct said 20-inch pipe line from its gas properties to a junction point about two miles east of Cedarville in Gilmer County, West Virginia, and to  
503 construct and equip a gas measuring station at the northern terminus; all of such work is to be commenced promptly upon the execution of this contract and completed so that gas delivery may commence on or before November 1, 1916, but unavoidable delays including the prosecution of such condemnation proceedings as may be necessary in the securing of pipe line easements are excepted. The measuring station shall be known as Cedarville Station and shall be equipped with Venturi or orifice meters or pitot tubes or such other devices of standard type as may be mutually agreed upon, for accurately measuring and recording the pressures and deliveries of gas. The "Selling Company" shall house and employ the men to operate the station, but all employees shall be satisfactory to the "Buying Company," which shall have the right of access at all times to the station and every part of it and its appliances for the purpose of inspecting, checking and testing registrations. One-half of the actual cost of equipping the station for the measurement of gas delivered solely to the "Buying Company" shall be paid by the "Buying Company" which shall also pay monthly one-fourth of the cost and expense of maintaining and operating the entire station. The "Buying Company" shall not be charged any part of the cost of the station site and buildings, but shall pay a rental, during each year of the term of this agreement, equal to  $4\frac{1}{3}\%$  of the actual cost of acquiring the station site and constructing the buildings. The "Buying Company" agrees to extend its pipe lines to said "Cedarville Station" and to be prepared to take the gas which it has purchased hereunder, on or before November 1, 1916, like allowance being made for unavoidable delays as aforesaid.

Second. The "Selling Company" agrees to sell and deliver to the "Buying Company," and the "Buying Company" agrees to purchase and take, each year during the continuance of this contract, six billion two hundred million (6,200,000,000) cubic feet of 504 natural gas, and such larger amount each year as may be determined by the further provisions of this agreement, subject always to the amount which the "Selling Company" has available for delivery as defined in the Eighth Article hereof.

Third. The proportion of the total amount deliverable during the year which shall be delivered in each month is set forth in the following table:

Month.	Percentage.
January .....	12½
February .....	12
March .....	11
April .....	8½
May .....	7½
June .....	4¾
July .....	4½
August .....	4½
September .....	4¾
October .....	7½
November .....	10½
December .....	12

The amount deliverable during any month shall be delivered substantially in uniform daily amounts during such month, but the deliveries in any day may, however, vary between 80% and 120% of the amount deliverable for such day ascertained as above provided; and the amount deliverable during any month may be increased or reduced so long as the amount delivered and taken is between 90% and 110% of the amount deliverable during such month determined as above; provided, however, that the full quantity designated to be taken during the calendar year is delivered and taken, and that the amount taken from the first day of each year to the end of October of such year shall be the total amount designated for such ten months' period by the above table, excepting that the variation of 10% shall be allowed from the amount apportioned to the said month of October.

Fourth. It is estimated by the engineers of the parties hereto that the one-half of the capacity of the 20-inch line to be constructed by the "Selling Company" for the purposes of this 505 contract is a twenty-four hour delivery of 25,000,000 cubic feet, plus a variation of 20%, or 30,000,000 cubic feet, being the amount apportioned to a day in January according to the above table. But the "Buying Company" shall have the right to take in January, February and March of the year 1918, notwithstanding the above table of percentages, and the "Selling Company" agrees to deliver to the "Buying Company" if the latter so requires, the one-

half of the capacity of the said 20-inch line at a delivery gauge pressure of 225 pounds to the square inch. The amount so taken by the "Buying Company" in such three months shall be computed as 35½% of the amount deliverable in the year and if the computation makes the yearly amount greater than six billion two hundred million, then the greater amount shall be substituted and be the yearly amount agreed to be delivered and taken each year under this contract. Nothing herein contained however shall prevent the "Selling Company" from furnishing gas for said 20-inch line to such domestic consumers along the route thereof, which the "Selling Company," as a public service corporation, may be under lawful obligation to supply, and the capacity of said line above referred to is intended to mean the amount of gas deliverable through the same after deducting any amount taken by such domestic consumers.

Fifth. In case the "Buying Company" takes from the "Selling Company" and the "Selling Company" delivers in the three months of greatest demand, viz: January, February and March, of any year, during the term of this contract, more gas than is apportioned by the above table of percentages to said months, considering the variations annexed to the table a part thereof, then the "Selling Company" shall have the right to require the "Buying Company" to take during the remaining nine months of said calendar year the same rate of excess over the amount fixed by said table for said period. And further, if during the months of January, 506 February and March of any year the "Buying Company" shall be ready, able and willing to take and purchase the quantities specified by said table to be taken during such months, and the "Selling Company" shall fail to deliver the entire amount deliverable during said period, then the "Buying Company" shall have the right at its option to take in the remaining nine months of said year either the volume apportioned to such nine months by the said table, or an amount less by the same ratio as the amount of the deficiency occurring in said months of January, February and March. In case the "Selling Company" fails to deliver six billion two hundred million cubic feet in any year, it is agreed that it shall use diligent effort to increase its deliveries to said amount in the next and succeeding years by the operation of its properties in the manner hereinafter stipulated.

Sixth. The gas sold and to be delivered hereunder shall be delivered by the "Selling Company" at said Cedarville Station at a gauge pressure of not less than 225 pounds to the square inch at the discharge end of the "Selling Company's" 20-inch line, and the "Selling Company" undertakes to compress the gas, if necessary, to meet this pressure obligation. The measurement of the gas in said station shall be computed according to Boyle's Law on a basis of ten ounces above atmospheric pressure, 14.4 pounds per square square inch being adopted as atmospheric pressure, and 40 degrees Fahrenheit flowing and 50 degrees Fahrenheit storage, as temperature basis, without further allowance for actual temperature and barometric conditions. Joint monthly tests of the specific gravity

the gas delivered shall be made by the parties hereto during the first year of the deliveries, and thereafter the tests shall be quarterly. Tests of the meters and measuring apparatus shall be made jointly or by competent authority satisfactory to both parties, as often as either party may desire, the cost of such tests to be borne equally. Daily reports of the readings of the meter or meters shall be mailed to each party and the "Selling Company" shall give complete and immediate information by telegraph or telephone as to hourly pressures and deliveries when requested by the "Buying Company."

Seventh. At the end of each month the "Selling Company" shall render to the "Buying Company," a statement, accompanied by meter charts, showing the deliveries of gas during the month, and the "Buying Company" agrees to pay for the gas so delivered, at the following rates and prices per thousand cubic feet for each year commencing on the day of the first delivery of gas:

- 10 cents, the first year.
- 11 cents, the second and third years.
- 12 cents, the fourth and fifth years.
- 13 cents, the sixth and seventh years.
- 14 cents, the eighth and ninth years.
- 15 cents, during the remainder of the term of this contract.

Said payments shall be made monthly on or before the 20th day of the month for the gas supplied in the preceding month, and shall be by check or voucher drawn to the order of the "Selling Company" and mailed to it at Charleston, West Virginia.

Eighth. The "Selling Company" agrees to use diligent effort during the entire term of this contract to deliver the quantity of gas hereinbefore agreed to be delivered and at the stipulated pressure and for that purpose to construct and operate in good order, condition and manner, adequate compressing stations, to maintain its properties and make such additions of lands, mineral rights, leaseholds and pipe lines as may in its judgment, exercised in good faith, strengthen its gas resources, to drill such wells as may be reasonably necessary and promptly connect the same to its pipe lines by field gathering lines of adequate size, to maintain its wells in proper producing condition and in connection, excepting during necessary repairs, at all times with the pipe line system discharging into said 20-inch line if the wells are located where they may be available for that purpose. But the obligation of the "Selling Company" to deliver gas hereunder shall be limited to the amount of gas currently produced from its gas properties and gas purchased by it from other producers, after deducting from the total amount so purchased and produced (a) the quantities of natural gas required to supply at any and all times domestic consumers connected to its own distributing systems not including consumers added by the acquisition of companies or properties not within its present territory of production and distribution, or by extensions of pipe

lines beyond the ordinary and natural growth of its present communities, and (b) the following contracts insofar as the "Selling Company" has thereby obligated itself to give any preference or fulfill prior demands on its supply, viz:

(1) A contract with the Ohio Fuel Supply Company, dated the 19th day of September, 1910, as modified by contract dated July 31, 1916; (2) A contract with the Columbia Gas & Electric Company dated January 1, 1913, as modified by contract dated July 31, 1916, and including the option contained in said original contract of renewing same; (3) A contract with the Central Kentucky Natural Gas Company dated November 1, 1912; (4) A contract with the Louisville Gas & Electric Company, dated July 5, 1913; (5) A contract with the Portsmouth Gas Company dated October 25, 1915.

It is understood and agreed, however, that the "Selling Company" shall, in any contract hereafter made by it for the sale of gas other than as above excepted, subordinate the obligations created in any such contract to those assumed under this agreement.

Ninth. The "Selling Company" agrees to use such methods and devices as may be customary or proper at the time for the delivery of said natural gas in a dry and merchantable condition, and the "Buying Company" shall not be required to accept gas of unmerchantable quality. As between the parties hereto, the "Selling Company" shall be in control and possession of said gas and responsible for any damage or injury caused thereby until 509 the same shall have been delivered to the "Buying Company" at said measuring station, after which delivery the latter company shall be deemed to be in exclusive control and possession thereof, and responsible for any such injury or damage. Where either party to this contract without fault or neglect on its part fails to perform any obligation hereunder assumed by it and such failure is due to acts of God or a public enemy, strikes, riots, injunctions or other interference through legal proceedings, breakage or accident to machinery or lines of pipe, washouts, earthquakes, storms, freezing of lines or wells, sudden, partial or entire failure of gas wells, or any cause beyond its control, or is caused by the necessity for making repairs or alterations in machinery or lines of pipe, such a failure shall not be deemed to be a violation by such party of its obligation hereunder; but such party shall use due diligence to again put itself forthwith in position to carry out all of the obligations which by the terms hereof it has assumed, and so far as possible shall give the other party notice in writing or by telephone or telegraph of the shutting off of gas to make repairs or alterations.

Tenth. It is understood and agreed that, in case the one-half of the capacity of the 20-inch pipe line of the "Selling Company" at the pressure herein stipulated does not yield a delivery of six billion two hundred million cubic feet per year under the agreed table of percentages, or in case the amount of gas available for delivery as herein defined and limited is or becomes such that the one-half



thereof is less than six billion two hundred million cubic feet per year under the agreed table of percentages, then and in both said events the "Buying Company" shall only be entitled to one-half of the entire amount available for delivery at Cedarville Station, inasmuch as the other one-half has been sold by the "Selling Company" or reserved for sale out of this contract for other purchasers.

510 Eleventh. This contract shall continue from the commencement of the delivery of gas hereunder until the expiration of ten years from and after the 31st day of December, 1916, but it is agreed that in the event a pipe line shall at any time prior to January 1, 1919, be constructed from the gas fields of West Virginia to the City of Baltimore, Maryland, under such circumstances that the "Selling Company" or any company affiliated with it may be able to sell for use in the City of Baltimore natural gas produced or acquired by said "Selling Company," then it shall have the right or option to terminate this agreement by giving one year's written notice to the "Buying Company" so to do. Such notice may be given before the completion of any such pipe line leading to said City of Baltimore, but shall not be effective unless such a line shall be actually built.

Twelfth. This contract and all of its covenants, limitations and conditions shall extend to and be binding upon the successors and assigns of the parties.

In witness whereof, the corporations parties hereto have hereunto caused *there* corporate seals to be affixed and the same to be attested by their respective Presidents or Vice Presidents the day and year first above written.

[Corporate Seal.]

(Signed)

UNITED FUEL GAS COMPANY,  
By W. Y. CARTWRIGHT,  
*Vice President.*

Attest:

L. A. SEYFFERT,  
*Asst. Secretary.*

[Corporate Seal.]

HOPE NATURAL GAS COMPANY,  
By JOHN G. PEW,  
*Vice President.*

Attest:

CHRISTY PAYNE,  
*Secretary.*

1 STATE OF OHIO,  
*County of Hamilton, ss:*

I, John M. Cronin, a Notary Public for said County of Hamilton, certify that W. Y. Cartwright personally appeared before me in said County, and being by me duly sworn, did depose and say

that he is the Vice President of United Fuel Gas Company, one of the corporations described in the writing above, bearing date the 25th day of August, 1916, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to said writing is the corporate seal of said corporation and that the said writing was signed and sealed by him on behalf of said corporation by its authority duly given. And the said W. Y. Cartwright acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this 6th day of Sept., A. D. 1916.

[Notarial Seal.]

(Signed) JOHN M. CRONIN,  
*Notary Public.*

My commission expires March 10, 1917.

STATE OF PENNSYLVANIA,

*County of Allegheny, ss:*

I, Geo. A. Kinley, a Notary Public of said County of Allegheny, do certify that John G. Pew personally appeared before me in my said County, and being by me duly sworn did depose and say that he is the Vice President of Hope Natural Gas Company, one of the corporations described in the writing above, bearing date the 25th day of August, 1916, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to the said writing is the corporate seal of said corporation, and that the said writing was signed and sealed by him on behalf of said corporation by its authority duly given. And the said John G. Pew acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this 1st day of September, A. D. 1916.

[Notarial Seal.]

(Signed) G. A. KINLEY,  
*Notary Public.*

My commission expires March 25, 1917.

512

Hope Natural Gas Company,

424 Sixth Avenue,

Pittsburgh, Pa.

John G. Pew, Vice President.

August 25, 1916.

Mr. W. Y. Cartwright, Vice Pres.  
United Fuel Gas Company,  
Cincinnati, Ohio.

MY DEAR MR. CARTWRIGHT:

In connection with the contract, bearing even date, for the delivery of gas by the United Fuel Gas Company to Hope Natural Gas Com-

pany, at Cedarville, West Virginia, there has been some discussion about the possibility of a special tax being placed in some form on the natural gas business.

The contract prices have been made without reference to any tax, other than those collectible under the plan of taxation now in force so that if an additional special tax should be imposed it might place an inequitable burden on one or the other parties. We feel that such a tax is unlikely, but to carry out the intention of our agreement, this letter is written to assure you that the Hope Natural Gas Company agrees with your Company that in case any lawful tax or assessment is hereafter imposed on natural gas in any manner, so as to constitute in effect a charge upon the gas deliverable hereunder, the amount of such tax or assessment or charges shall be borne, one-half by your Company and one-half by the Hope Natural Gas Company insofar as it affects or relates to, or is apportionable to the natural gas deliverable hereunder, and in the event your Company is required to pay the same, one-half of the amount thereof shall be paid by the Hope Natural Gas Company to your Company in addition to the prices for gas fixed by the above mentioned contract.

Please advise if this is satisfactory to your Company.

(Signed) HOPE NATURAL GAS COMPANY,  
By JOHN G. PEW,  
*Vice President.*

513 [Endorsed:] United Fuel Gas Company and Hope Natural Gas Company. Agreement.

514 UNITED FUEL AND HOPE COS.' (1920) W. VA. EX. 40.

(Introduced at Page 1199, Record.)

W. VA. EX. No. 40. J. B. S.

This agreement, made and entered into this 1st day of May, 1920, by and between United Fuel Gas Company, a corporation of West Virginia (hereinafter called the "Selling Company"), party of the first part, and Hope Natural Gas Company, also a corporation of West Virginia (hereinafter called the "Buying Company"), party of the second part,

Witnesseth:

Whereas, by a certain written agreement, bearing date the 25th day of August, 1916, between the parties hereto, the "Selling Company" agreed to sell, and the "Buying Company" agreed to purchase, certain quantities of natural gas at a point near Cedarville, in Gilmer County, West Virginia, to which point the "Selling Company" agreed to construct a pipe line from its gas fields for the purposes of said contract, which said pipe line has since been constructed and natural gas delivered under said agreement since early in the year 1917 until the present time; and,

Whereas, the "Selling Company" has not had available for delivery, and has failed to deliver during the past winter, the quantity

of natural gas daily contemplated by said contract to be delivered, and the exhaustion of the natural gas fields operated by the "Selling Company", together with the increased expense of producing natural gas under present circumstances and conditions, will require greater expenditures on the part of the "Selling Company" in the performance of said contract than were contemplated at the date thereof by the parties thereto; and,

Whereas, the "Buying Company," recognizing the existing conditions surrounding the fields operated by the "Selling Company", both as to the depletion of the supply and the increased cost of operations, has consented to a certain increase in the price to be  
515 paid for the gas delivered under said original contract from and after this date, with the understanding that the "Selling Company" will enlarge its facilities for the delivery of said gas to the extent hereinafter specified;

Now, therefore, in consideration of the premises, it is agreed between the parties hereto as follows:

First. In lieu of the price specified in said original contract to be paid by the "Buying Company" to the "Selling Company", the "Buying Company" will pay for all gas delivered to it between midnight of April 30, 1920, and April 30, 1922, a price of fourteen (14) cents per thousand cubic feet for the first twelve (12) million cubic feet delivered each day; fifteen (15) cents for the thirteenth million; sixteen (16) cents for the fourteenth million; seventeen (17) cents for the fifteenth million; and eighteen (18) cents for all above fifteen (15) million cubic feet delivered each day. The quantity of gas delivered in any one of the two entire years provided for in this supplemental agreement shall be apportioned, as nearly as practicable, between the several months of the year and with the same allowance for variations between the days of each month, as specified by said original contract, and it is estimated by the parties hereto that the "Selling Company" will be able to deliver to the "Buying Company" during the winter months of each of said two years, an average of at least twenty (20) million cubic feet of gas daily.

Second. In consideration of the foregoing, the "Selling Company" expressly covenants and agrees that it will enlarge its principal compressor station used in the delivery of the gas sold under this contract (known as its "Cobb Station"), by adding additional units  
516 thereto of approximately twenty-seven hundred (2,700) horsepower, the same to be completed by November 1, 1920, unless delayed by unavoidable accident or other circumstances over which it has no control, and will also enlarge its auxiliary compressor station known as "Buff Lick" station, located south of said Cobb station, by adding additional units thereto amounting to four hundred and eighty-five (485) horsepower, to be completed within the same time and subject to the same reservations as those mentioned above in reference to Cobb station; and further, that it will complete, by January 1, 1921, at least twenty-five (25) additional wells in search of gas, and connect the same with the pipe line system through which

is delivered to the "Buying Company" by the "Selling Company", being understood that said pipe line system is also used for the applying of gas to others, as recited in said original contract.

Third. It is further agreed that the said written agreement bearing date the 25th day of August, 1916, between the parties hereto, and shall remain in full force and effect in all of its terms, provisions, conditions and stipulations for the full term thereof, excepting as herein expressly modified.

Witness the common and corporate seals of the corporations parties hereto, duly affixed and attested by their proper officers, the day and year first above written.

[Corporate Seal.]

(Signed)

UNITED FUEL GAS COMPANY,  
By R. G. ALTIZER,  
*Vice President.*

Attest:

W. W. WOLFE,  
*Asst. Secretary.*

[Corporate Seal.]

(Signed)

HOPE NATURAL GAS COMPANY,  
By T. O. SULLIVAN,  
*Vice President.*

Attest:

CHRISTY PAYNE,  
*Secretary.*

7 & 518 STATE OF WEST VIRGINIA,  
*Kanawha County, to wit:*

I, D. C. Jay, a Notary Public for said County, do certify that R. G. Altizer personally appeared before me in my said County, and being by me duly sworn, did depose and say that he is Vice President of United Fuel Gas Company, one of the corporations described in the writing hereto annexed, bearing date the 1st day of May, 1920, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to said writing is the corporate seal of said corporation, and that said writing was signed and sealed by him in behalf of said corporation by authority duly given. And the said R. G. Altizer acknowledged the said writing to be the act and deed of said corporation.

Given under my hand this 25th day of May, 1920.

My commission expires March 2d, 1925.

(Signed)

D. C. JAY,  
*Notary Public.*

STATE OF PENNSYLVANIA,

*Allegheny County, To wit:*

I, Geo. A. Kinley, a Notary Public for said County, do certify that T. O. Sullivan personally appeared before me in my said County, and being by me duly sworn, did depose and say that he is Vice President of Hope Natural Gas Company, one of the corporations described in the writing hereto annexed, bearing date the 1st day of May, 1920, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to said writing is the corporate seal of said corporation, and that said writing was signed and sealed by him in behalf of said corporation by its authority duly given. And the said T. O. Sullivan acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this 29th day of June, 1920.

My commission expires March 25, 1921.

[Notarial Seal.]

(Signed)

G. A. KINLEY,

*Notary Public.*

519 UNITED FUEL AND PGH. COS.' (1916) W. VA. EX. 41.

(Introduced at Page 1199, Record.)

W. VA. EX. NO. 41. J. B. S.

This agreement, made this 25th day of August, A. D. 1916, by and between the United Fuel Gas Company, a corporation of West Virginia, hereinafter called "United Company," party of the first part, and the Pittsburgh and West Virginia Gas Company, also a West Virginia Corporation, hereinafter called "Pittsburgh Company", party of the second part, witnesseth:

That, in consideration of the mutual covenants and agreements herein contained, the United Company agrees to sell and deliver and the Pittsburgh Company agrees to purchase and accept certain quantities of natural gas produced or acquired by said first mentioned Company, and the parties hereto have further agreed and do hereby agree as follows:

First. United Company agrees to construct a pipe line twenty (20) inches in outside diameter, leading from the lands operated by it, a distance of about forty (40) miles to a point on Cedar Creek, County of Gilmer and State of West Virginia, being approximately two miles in an easterly direction from the village of Cedarville in said County. At the northern terminus of said line the said United Company will construct and install the necessary buildings, meters and appliances for maintaining a station for the measurement of the gas hereby agreed to be sold. The work of



laying said pipe line and of constructing said measuring station shall be commenced promptly upon the execution of this agreement and shall be completed by November 1st, 1916, or as early thereafter as is reasonably possible, allowance being made for any necessary delay in acquiring right of way by condemnation. Pittsburgh Company agrees to build at the same time, with like allowance for necessary delay, such pipe line as may be required from its present system of lines to said measuring station, for the purpose of receiving and transporting therefrom the gas agreed to be purchased by it hereunder. The delivery of gas under this agreement shall commence immediately upon the completion of said lines and station.

520 Second. United Company shall purchase or acquire the necessary land and buildings, including two dwelling houses for employees, for maintaining said measuring station in a suitable manner, and shall also purchase and install the necessary meters, appliances and equipment for the proper operation of said station. The said land and buildings shall be the sole property of the United Company, but during the term of this agreement it shall be used only for the purposes of measuring and delivering gas to the Pittsburgh Company and to the Hope Natural Gas Company, under an agreement of even date herewith.

The work of measuring the gas delivered under this agreement shall be performed by the United Company, which Company shall have entire and unrestricted charge of said measuring station and also of the men employed thereat, but all such employees shall be satisfactory to Pittsburgh Company. A duly authorized representative of Pittsburgh Company shall have access to every part of said measuring station, including its records, at any time, for the purpose of observation and inspection, it being the intention of this agreement that United Company shall operate said measuring station in a manner satisfactory to Pittsburgh Company.

Pittsburgh Company agrees to pay one-half ( $\frac{1}{2}$ ) of the actual cost of equipping said station with meters, measuring devices and appliances (other than land and buildings) installed for measuring the gas delivered solely to said Pittsburg Company, and one-fourth ( $\frac{1}{4}$ ) the cost and expense of maintaining and operating said entire station for the measurement and delivery of gas to both the Pittsburgh Company and the Hope Natural Gas Company.

Pittsburgh Company further agrees to pay to United Company, as an annual rental, during each of the ten (10) years in which this agreement is to remain in force, for the joint use of said ground and buildings, a sum equal to four and one-third ( $4\frac{1}{3}$ ) per centum of the actual cost and expense of acquiring said land and  
521 constructing said buildings. The first annual rental shall be due as soon after the completion of said station as gas is delivered, and subsequent payments annually thereafter.

The amount due from Pittsburgh Company as its share of the cost of acquiring and installing said meters, measuring devices and appliances shall be paid promptly after the installation thereof,

and the amount due from Pittsburgh Company as its share of the cost of operating and maintaining said station shall be paid monthly upon accurate statements thereof to be furnished to it by United Company.

Third. United Company undertakes and agrees (subject to the qualifications hereinafter mentioned) to sell and deliver to Pittsburgh Company at said measuring station, and Pittsburgh Company undertakes and agrees to purchase and to take from United Company during each year, for a period of ten (10) years following the date that actual delivery of gas commences under this agreement, six billion two hundred million (6,200,000,000) cubic feet of natural gas, to be delivered during the several months of each year in the proportions hereinafter specified, provided, however, that United Company shall not be obligated to deliver more than its available supply as hereinafter set forth.

Fourth. The gas so sold shall be delivered into the pipe line of Pittsburgh Company, against the varying pressures therein, so far as is possible without interruption of the flow, in amounts which shall continue steadily in the same volume throughout every hour of the day, and also continue steadily in the same volume throughout every day of each month, but the proportionate part of said entire amount to be taken during each calendar month is hereby fixed as follows:

Month.	Per cent.
November .....	10½
December .....	12
522 January .....	12½
February .....	12
March .....	11
April .....	8½
May .....	7½
June .....	4¾
July .....	4½
August .....	4½
September .....	4¾
October .....	7½

The amount deliverable during any month shall be delivered substantially in uniform daily amounts during such month, but the deliveries in any day may, however, vary between 80% and 120% of the amount deliverable for such day, ascertained as above provided, and the amount deliverable during any month may be increased or reduced so long as the amount delivered and taken is between 90% and 110% of the amount deliverable during such month, determined as above, provided, however, that the full quantity designated to be taken during the calendar year is delivered and taken, and that the amount taken from the first day of each year to the end of October of such year shall be the total amount designated for such ten months' period by the above table, excepting

that the variation of 10% shall be allowed from the amount apportioned to the said month of October.

Fifth. United Company shall take care of all wells and control all water that may accumulate therein and also in the lines leading from said wells, and shall keep the twenty (20) inch pipe line hereinbefore mentioned free from water, so that the gas may be delivered at the meter in a dry and marketable condition, and Pittsburgh Company reserves the right to refuse to accept all gas that is not in a dry and marketable condition.

United Company shall have dominion and control over the natural gas delivered under this agreement until after the said gas passes through the meter and into the pipe line of Pittsburgh Company, and United Company shall be responsible for and on account of anything that may be done, happen to or arise, touching said gas until it is delivered into the pipe line of Pittsburgh  
523 Company, and Pittsburgh Company undertakes and agrees that it will at all times and from time to time save harmless the United Company from any and all manner of claims, suits and damages on account of any conduct, act or thing touching said gas after it has passed into the pipe line of Pittsburgh Company.

Sixth. While this agreement does not obligate United Company to deliver nor Pittsburgh Company to purchase more gas than that hereinbefore specified, yet if by mutual agreement United Company shall deliver and Pittsburgh Company shall take during January, February and March of any year more than the combined amount agreed to be delivered and taken during said three months, or if Pittsburgh Company shall be ready and willing to take, but United Fuel Company shall be unable to deliver during said three months the combined quantity hereinbefore specified to be delivered, then in either such event the amount to be taken in the remaining nine months of each calendar year shall be determined as follows: The total quantity to be taken during each calendar year shall be increased or diminished from that hereinbefore specified so that the amount actually taken during said three months of January, February and March shall constitute thirty-five and one-half ( $35\frac{1}{2}$ ) per cent of the total quantity to be taken during each calendar year and the remaining sixty-four and one-half ( $64\frac{1}{2}$ ) per cent of such total quantity shall be taken during the remaining nine months in the percentages of such entire quantity for each of said nine months as are specified in the table embraced in the fourth paragraph hereof.

Seventh. Said gas shall be compressed if necessary by United Company and shall be delivered by United Company at said measuring station at a pressure of not less than two hundred and twenty-five (225) pounds to the square inch, and shall be measured at said station by means of Venturi Meters or other meters to be  
524 mutually agreed upon, and the quantity thereof shall be computed on a basis of ten (10) ounces above the atmospheric pressure of fourteen and four-tenths (14.4) pounds

per square inch, according to Boyle's Law for the measurement of gas at varying pressures, on a temperature basis of forty (40) degrees Fahrenheit flowing and fifty (50) degrees Fahrenheit storage without further allowance for actual temperatures and barometric conditions.

The specific gravity of said gas shall be determined for the purpose of measurement by monthly tests to be made jointly by the parties hereto during the first year this agreement is in force, and thereafter quarterly if the variation is found to be small.

If either party challenges the accuracy of any meter in use under this agreement and desires to have the meter tested or repaired, such tests or repairs as are necessary shall be made by a competent authority, to be mutually agreed upon, in the presence and to the satisfaction of the party desiring the same to be made, and the cost of such testing and repairing shall be borne equally by the parties hereto.

United Company shall give complete information when requested in regard to the hourly pressures and deliveries, shall mail to Pittsburgh Company daily reports of pressures and deliveries, and shall on or before the tenth day of each month render to Pittsburgh Company statements, accompanied by meter charts, showing the actual amount of gas delivered during each day of the next preceding calendar month, and Pittsburgh Company agrees to pay for all gas so delivered at the following rates and prices:

For all gas delivered during the first year after the actual commencement of deliveries, at the rate of ten cents per thousand cubic feet.

For all gas delivered during the second and third years after the actual commencement of deliveries, at the rate of eleven cents per thousand cubic feet.

525 For all gas delivered during the fourth and fifth years after the actual commencement of deliveries, at the rate of twelve cents per thousand cubic feet.

For all gas delivered during the eighth and ninth years after the actual commencement of deliveries, at the rate of fourteen (14) cents per thousand (1,000) cubic feet.

For all gas delivered during the tenth year after the actual commencement of deliveries, at the rate of fifteen (15) cents per thousand (1,000) cubic feet.

The amount due for gas supplied during each month shall be paid on or before the twentieth (20) day of the following month, and shall be paid by check or voucher drawn to the order of the United Fuel Gas Company and mailed to it at Charleston, West Virginia.

Eighth. It is further understood and agreed that in case any lawful tax or assessment is hereafter imposed upon natural gas in any manner so as to constitute, in effect, a charge upon gas delivered hereunder, the amount of said tax or assessment shall be borne, one-half ( $\frac{1}{2}$ ) by United Company and one-half ( $\frac{1}{2}$ ) by Pittsburgh Company, in so far as it affects, relates to or is apportionable to the amount of gas delivered hereunder, and in the event that United

Company is required to pay the same, one-half ( $\frac{1}{2}$ ) of the amount thereof shall be refunded by Pittsburgh Company to United Company, in addition to the prices hereinbefore set forth.

Ninth. United Company covenants that it will use diligence in the laying and maintaining of pipe lines and in the operating of the lands under its control during the term of this agreement for the purpose of enabling itself to deliver the amount of gas to Pittsburgh Company hereinbefore agreed by it to be delivered, but it is understood and agreed that the obligations of United Company hereunder are limited to the amount of gas produced by it from lands upon which it shall have the right to operate during the term of this agreement and to the gas which it may obtain by purchase from others, and further that its obligations hereunder shall be subordinate, and shall be subordinate only, to those previously assumed, including the following:

(a) Supplying consumers connected at any time directly to its distributing systems in West Virginia, Ohio and Kentucky, which obligation shall not include consumers hereafter obtained by the purchase, absorption or merger of any other companies or lines outside of its present territory or by the extraordinary extensions of the lines of said Company, but only the ordinary growth and accretions of said Company in its present territory.

(b) The performance of a contract for the sale of gas to the Ohio Fuel Supply Company, dated September 19th, 1910, as modified by an agreement dated July 31st, 1916.

(c) The performance of a contract for the delivery of gas to the Columbia Gas & Electric Company, dated January 1st, 1913, as modified by an agreement dated July 31, 1916, including the option of renewing the same contained in said original contract.

(d) The performance of a contract for the delivery of gas to the Central Kentucky Natural Gas Company, dated November 1st, 1912.

(e) The performance of a contract for the delivery of gas to the Louisville Gas & Electric Company, dated July 5th, 1913.

(f) The performance of a contract for the delivery of gas to the Portsmouth Gas Company, dated October 25th, 1915.

(Copies of the foregoing contracts, certified to be correct by the Secretary of the United Company, have been this day filed with the Secretary of the Pittsburgh Company).

Tenth. It is further agreed and understood that in the event a pipe line shall at any time prior to January 1st, 1919 be constructed from the gas fields of West Virginia to the City of Baltimore, Maryland, under such circumstances that the United Company or any

company affiliated with it may be able to sell for use in the said City of Baltimore natural gas produced or acquired by said United Company, then it shall have the right or option to terminate this agreement by giving one year's written notice of its intention so to do to Pittsburgh Company. Such notice may be given before the completion of any such pipe line leading to the said City of Baltimore, but shall not be effective unless such a line shall be actually built.

Eleventh. It is understood that contemporaneously with the execution hereof, United Company has entered into a written  
527 agreement with the Hope Natural Gas Company, a West Virginia corporation, for the delivery to said last mentioned company of an equal amount of gas to that to be delivered hereunder, and that said pipe line twenty (20) inches in diameter, hereinbefore agreed to be constructed by United Company to said measuring station near Cedarville, is to be used for the transportation to said station of the gas agreed to be sold both to said Pittsburgh Company and to said Hope Natural Gas Company.

It is further understood and agreed that in the event United Company shall not be able to deliver at said measuring station the entire amount agreed to be delivered, together with a like amount to said Hope Natural Gas Company, then the entire amount available for delivery shall be divided equally between Pittsburgh Company and Hope Natural Gas Company unless said companies shall direct a different division thereof as between themselves, it being understood, however, that United Company shall, in any contract hereafter made by it for the sale of gas, other than with consumers supplied directly from its lines, subordinate the obligations created in any such contract to those assumed under this agreement.

It is further understood and agreed that should United Company desire to deliver and sell at said measuring station a greater quantity of gas than that hereinbefore mentioned and intended to be delivered both to Pittsburgh Company and to Hope Natural Gas Company, and in the further event that both Pittsburgh Company and Hope Natural Gas Company shall desire to take and purchase quantities in excess of that agreed to be taken and purchased by them respectively, then Pittsburgh Company shall have the right at its option to purchase one-half ( $\frac{1}{2}$ ) of said additional quantity, on equal terms with said Hope Natural Gas Company.

Twelfth. It is agreed that United Company shall have the  
528 right to extract from the natural gas sold under this agreement, previous to its delivery to Pittsburgh Company, the gasoline obtainable therefrom by what is known as the "Absorption System" or any other system now or hereafter in common use

Thirteenth. All the terms and conditions, stipulations, covenants and agreements herein contained shall extend to and be binding upon the successors and assigns of the parties hereto.



In witness whereof, the parties hereto have caused their respective corporate seals to be hereto affixed, and duly attested, the day and first above written.

[Corporate Seal.]

(Signed) UNITED FUEL GAS COMPANY,  
By W. Y. CARTWRIGHT,  
*Vice President.*

Attest:

L. A. SEYFFERT,  
*Asst. Secretary.*

[Corporate Seal.]

PITTSBURGH AND WEST VIRGINIA  
GAS COMPANY,  
By J. F. GUFFEY,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

STATE OF OHIO,

*County of Hamilton, To wit:*

I, John M. Cronin, a Notary Public of said County of Hamilton, certify that W. Y. Cartwright personally appeared before me in my said County, and being by me duly sworn according to law, did depose and say that he is the Vice President of the United Fuel Gas Company, one of the corporations described in the foregoing writing, bearing date the 25th day of August, 1916, authorized said corporation to execute and acknowledge deeds and other writings of said corporation, that the seal affixed to said writing was the corporate seal of said corporation, and that said writing was signed and sealed by him, in behalf of said corporation, by its authority duly given; and the said W. Y. Cartwright acknowledged the said writing to be the act and deed of said corporation. Given under my hand and notarial seal this 16th day of August, D. 1916.

[Notarial Seal.] (Signed) JOHN M. CRONIN,  
*Notary Public.*

My commission expires: March 10, 1917.

9 STATE OF PENNSYLVANIA,

*County of Allegheny, To wit:*

I, H. K. Bragdon, a Notary Public of said County of Allegheny, certify that J. F. Guffey personally appeared before me in my said County, and being by me duly sworn according to law, did depose and say that he is the President of the Pittsburgh and West Virginia Gas Company, one of the corporations described in the foregoing writing, bearing date the 25th day of August, 1916, au-

thorized by said corporation to execute and acknowledge deeds and other writings of said corporation, that the seal affixed to said writing is the corporate seal of said corporation, and that said writing was signed and sealed by him, in behalf of said corporation, by its authority duly given; and the said J. F. Guffey acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and notarial seal, this 29<sup>th</sup> day of August, A. D. 1916.

[Notarial Seal.] (Signed) H. K. BRAGDON,  
Notary Public.

My commission expires: February 21st, 1919.

530 [Endorsed:] United Fuel Gas Company and Pittsburgh and West Virginia Gas Company. Agreement.

531 UNITED FUEL AND PGM. CO.'S (1920) W. VA. EX. 42.

(Introduced at Page 1199, Record.)

W. VA. EX. NO. 42. J. B. S.

This agreement, made and entered into this 1st day of May, 1920, by and between United Fuel Gas Company, a corporation of West Virginia (hereinafter called the "Selling Company"), party of the first part, and Pittsburgh & West Virginia Gas Company, also a corporation of West Virginia (hereinafter called the "Buying Company"), party of the second part,

Witnesseth:

Whereas, by a certain written agreement, bearing date the 25th day of August, 1916, between the parties hereto, the "Selling Company" agreed to sell, and the "Buying Company" agreed to purchase, certain quantities of natural gas at a point near Cedarville, in Gilmer County, West Virginia, to which point the "Selling Company" agreed to construct a pipe line from its gas fields for the purposes of said contract, which said pipe line has since been constructed and natural gas delivered under said agreement since early in the year 1917 until the present time; and,

Whereas, the "Selling Company" has not had available for delivery, and has failed to deliver during the past winter, the quantity of natural gas daily contemplated by said contract to be delivered, and the exhaustion of the natural gas fields operated by the "Selling Company", together with the increased expense of producing natural gas under present circumstances and conditions, will require greater expenditures on the part of the "Selling Company" in the performance of said contract than were contemplated at the date thereof by the parties thereto; and,

Whereas, the "Buying Company", recognizing the existing conditions surrounding the fields operated by the "Selling Company", both as to the depletion of the supply and the increased cost of

operations, has consented to a certain increase in the price to be paid for the gas delivered under said original contract from and after this date, with the understanding that the "Selling Company" will enlarge its facilities for the delivery of said gas to the extent hereinafter specified;  
Now, therefore, in consideration of the premises, it is agreed between the parties hereto as follows:

First. In lieu of the price specified in said original contract to be paid by the "Buying Company" to the "Selling Company", the "Buying Company" will pay for all gas delivered to it between midnight of April 30, 1920, and April 30, 1922, a price of fourteen (14) cents per thousand cubic feet for the first twelve (12) million cubic feet delivered each day; fifteen (15) cents for the thirteenth million; sixteen (16) cents for the fourteenth million; seventeen (17) cents for the fifteenth million; and eighteen (18) cents for all over fifteen (15) million cubic feet delivered each day. The quantity of gas delivered in any one of the two entire years provided for in this supplemental agreement shall be apportioned, as early as practicable, between the several months of the year and with the same allowance for variations between the days of each month, as specified by said original contract, and it is estimated by the parties hereto that the "Selling Company" will be able to deliver the "Buying Company", during the winter months of each of said two years, an average of at least twenty (20) million cubic feet of gas daily.

Second. In consideration of the foregoing, the "Selling Company" expressly covenants and agrees that it will enlarge its principal compressor station used in the delivery of the gas sold under this contract (known as its "Cobb Station"), by adding additional units thereto of approximately twenty-seven hundred (2,700) horsepower, the same to be completed by November 1, 1920, unless delayed by unavoidable accident or other circumstances over which it has no control, and will also enlarge its auxiliary compressor station known as "Buff Lick" station, located south of said Cobb station, by adding additional units thereto amounting to four hundred and eighty-five (485) horsepower, to be completed within the same time and subject to the same reservations as those mentioned above in reference to Cobb station; and further, that it will complete, by January 1, 1921, at least twenty-five (25) additional wells in search of gas, and connect the same with the pipe line system through which gas is delivered to the "Buying Company" by the "Selling Company", it being understood that said pipe line system is also used for the supplying of gas to others, as recited in said original contract.

Third. It is further agreed that the said written agreement bearing date the 25th day of August, 1916, between the parties hereto, and shall remain in full force and effect in all of its terms, provisions, conditions and stipulations for the full term thereof, excepting as herein expressly modified.

Witness the common and corporate seals of the corporations parties hereto, duly affixed and attested by their proper officers, the day and year first above written.

[Corporate Seal.] (Signed) UNITED FUEL GAS COMPANY,

By R. G. ALTIZER,  
*Vice-President.*

Attest:

W. W. WOLFE,  
*Asst. Secretary.*

[Corporate Seal.]

PITTSBURGH & WEST VIRGINIA GAS COMPANY,

By A. W. THOMPSON,  
*President.*

Attest:

W. B. CARSON,  
*Secretary.*

534 & 535 STATE OF WEST VIRGINIA,  
*Kanawha County, To wit:*

I, D. C. Jay, a Notary Public for said County, do certify that R. G. Altizer personally appeared before me in my said County, and being by me duly sworn, did depose and say that he is Vice President of United Fuel Gas Company, one of the corporations described in the writing hereto annexed, bearing date the 1st day of May, 1920, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to said writing is the corporate seal of said corporation, and that said writing was signed and sealed by him in behalf of said corporation by its authority duly given. And the said R. G. Altizer acknowledged the said writing to be the act and deed of said corporation.

Given under my hand this 25th day of May, 1920.

My commission expires March 2d, 1925.

(Signed)

D. C. JAY,  
*Notary Public.*

STATE OF PENNSYLVANIA,  
*Allegheny County, to wit:*

I, John L. Hauser, a Notary Public for said County, do certify that W. B. Carson personally appeared before me in my said County, and being by me duly sworn, did depose and say that he is Secretary of Pittsburgh & West Virginia Gas Company, one of the corporations described in the writing hereto annexed, bearing date the 1st day of May, 1920, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to said writing is the corporate seal of said corporation, and that said writing was signed and sealed by him in behalf of said corporation by its authority duly given. And the said W.

arson acknowledged the said writing to be the act and deed of corporation.

iven under my hand and official seal this 17th day of July, 1920.

y commission expires end next session of Senate.

[Notarial Seal.] (Signed) JOHN L. HAUSER,  
Notary Public.

COLUMBIA AND UNITED FUEL COS.' W. VA. Ex. 43.

(Introduced at Page 1199, Record.)

W. VA. Ex. No. 43. J. B. S.

reement made this 1st day of January, 1913, between the Columbia Gas & Electric Company, hereinafter called the "Columbia Company," and the United Fuel Gas Company, hereinafter called the "United Company," corporations organized under the laws of West Virginia, modifying the agreement between the same parties dated the 1st day of December, 1909.

st. Whereas, by agreement dated the 1st day of December, 1909, Columbia Company agreed to purchase and take from the United Company, and the United Company agreed to sell and deliver natural gas in the amounts and at the prices and upon the terms and conditions in said agreement stated; and

Whereas, contemporaneously with the said agreement dated the 1st day of December, 1909, the Columbia Company sub-leased to the United Company a gas compressing station known as Kenova Station, located on the Big Sandy River in Wayne County, West Virginia, and an eighteen inch pipe line extending therefrom eastwardly to Balls Gap in Ceredo District, Wayne County, West Virginia, with line branching towards the Griffithsville gas field, and a line branching towards Dunlow, West Virginia, in said sub-lease and in said agreement more particularly described, and said agreement contained various provisions relating to the operation of said compressing station and said pipe lines by the United Company for the transportation of the gas produced by each of the parties; and

Whereas, the Columbia Company has not succeeded in marketing natural gas in the volume and to the extent anticipated, and the Columbia Company has requested the United Company to make concessions in the terms of the said agreement dated the 1st day of December, 1909, in order that the Columbia Company may increase its deliveries of natural gas and may otherwise enlarge its markets and profitably extend its business; and

37. Whereas, pursuant to said request the United Company has agreed with the Columbia Company to modify the said agreement dated the 1st day of December, 1909, and contemporaneously with the execution of this agreement has surrendered to the Columbia Company the sub-lease above referred to, and possession of the com-

pressing station and pipe lines covered thereby to the end that the Columbia Company shall operate the same and transport therein and thereby the gas herein agreed to be delivered to it, as well as the gas produced from its own properties:

Now, this agreement witnesseth: That the agreement between the parties hereto dated the 1st day of December, 1909, has been and the same hereby is modified as of January 1st, 1913, so that all the terms, provisions and conditions therein contained have been and the same hereby are superseded by the terms, provisions and conditions hereinafter set forth.

2nd. The Columbia Company agrees to purchase and take from the United Company, and the United Company agrees to sell and deliver to the Columbia Company subject to the provisions of the 11th Paragraph hereof, natural gas in the amounts and at the prices following, viz:

For the year ending—	Cubic feet of natural gas.	Price per one thousand cubic feet.
December 31, 1913....	Six billion .....	8 cents.
December 31, 1914....	Six billion .....	8½ cents.
December 31, 1915....	Six and one-half billion.....	9 cents.
December 31, 1916....	Six and one-half billion.....	10 cents.
December 31, 1917....	Seven billion .....	11 cents.
December 31, 1918....	Eight billion .....	12½ cents.
December 31, 1919....	Ten billion .....	12½ cents.

3rd. This agreement shall terminate on December 31, 1919, unless the United Company on or prior to December 31, 1917, shall give written notice to the Columbia Company of its election to continue the same until December 31, 1924; in case the United Company gives such notice of its election to continue this contract until Decem-

ber 31, 1924, then the same shall terminate on December 31, 1924, unless the United Company on or prior to December 31, 1922, shall give written notice to the Columbia Company of its election to continue the contract until December 31, 1929, in which event this contract shall terminate on that date. In case of the exercise of said election and the continuance of this agreement until December 31, 1924, the United Company shall sell and deliver and the Columbia Company shall purchase and take during each year from December 31, 1919, until December 31, 1924, subject to the provisions of the Eleventh Paragraph hereof, Ten Billion (10,000,000,000) cubic feet of natural gas at twelve and one-half (12½) cents per one thousand cubic feet; and in case of the exercise of said election and the continuance of this agreement from December 31st, 1924, to December 31st, 1929, then the United Company shall sell and deliver and the Columbia Company purchase and take during each year from December 31st, 1924, until December 31st, 1929, subject to the provisions of the Eleventh Paragraph hereof, Ten Billion (10,000,000,000) cubic feet of natural gas at twelve and one-half (12½) cents per one thousand cubic feet.



4th. The said natural gas shall be delivered at the existing Pitot  
measuring station at Balls Gap, West Virginia, and at such  
other points of delivery as may be hereafter agreed upon.

The Columbia Company shall have the right to require that the  
pressure at which said gas is to be delivered is such as to produce and  
maintain when said gas is commingled with gas which the Columbia  
Company takes from other sources into its said eighteen inch pipe  
line, an efficient working pressure of not less than sixty pounds to  
the square inch upon said line, gauged at the intake side of the high  
stage compressors of said Kenova station, but the Columbia Company  
agrees that it will not produce and maintain at any time on  
its line or lines at any delivery point under this contract, a  
pressure higher than is necessary to produce and maintain  
said eighteen inch pipe line at said intake side of the high stage  
compressors of said compressing station, said pressure of sixty pounds  
to the square inch if any higher pressure prevents the United Com-  
pany from delivering any part of the gas which it has herein under-  
taken to deliver.

It is further agreed that if at any time the supply and pressure of  
gas which the Columbia Company is able to secure at natural well  
pressure from sources other than United Company, with the addition  
of such supply as the United Company is able to deliver hereunder  
at natural well pressure, becomes insufficient without additional  
means of compression to produce and maintain the sixty pounds  
pressure at the intake side of the high stage compressors of said  
Kenova Station, the Columbia Company shall install at and in con-  
nection with the said compressing station such necessary sub-pump-  
ing stations or low stage compressors as will enable it thereby to  
produce and maintain the required efficient working pressure on said  
eighteen inch line at the intake side of its high stage compressors at  
said Kenova Station, and the gas to be taken from the United Com-  
pany shall be taken by means of such sub-pumping stations or low  
stage compressors to be installed by the Columbia Company, and  
under the same pressure conditions as the gas which the Columbia  
Company takes from other sources.

It is agreed that for the purpose of determining whether or not  
the United Company is delivering gas at the agreed delivery pres-  
sure, the compressors in Kenova Station shall be operated only to  
the extent reasonably necessary to handle the amount of gas which  
the United Company is currently required to deliver, in addition to  
the amount of gas which the Columbia Company at the same time  
is marketing from other sources.

5th. If any measuring stations shall hereafter be constructed  
they shall be constructed at the joint expense of the parties  
hereto, each party paying one-half of such construction. The ex-  
pense of operating and maintaining the measuring station at Balls  
Gap, and the additional measuring stations, if any are hereafter con-  
structed, shall be borne jointly by the parties hereto, each paying  
one-half thereof, but the United Company shall be in charge of such  
stations and shall appoint the operatives, but the operatives shall be  
satisfactory to the Columbia Company.

6th. Readings of the Pitot tubes shall be made at regular fifteen minute intervals throughout the twenty-four hours of each day, and duplicate statements of the readings shall be mailed daily to the Columbia Company and to the United Company; from such readings of the measuring tubes the amount of natural gas furnished and delivered each month shall be computed on the basis of eight ounces pressure above atmospheric, according to Boyle's law for the measurement of gas at varying pressures; 14.4 pounds per square inch is adopted as atmospheric pressure for the purpose of this contract, and no other allowance shall be made for temperature or barometric conditions.

7th. The United Company on or before the 10th day of each month shall send to the Columbia Company a statement and bill for the amount of gas delivered during the preceding month, ascertained as above provided, and the Columbia Company shall pay the United Company the stipulated price therefor within ten days after the delivery of such statement.

8th. During the years 1913 to 1915, inclusive, the amounts deliverable in each year shall be delivered in the different months of the year according to the following table:

Month.	Per cent.
January .....	13½
February .....	13½
March .....	12
April .....	7
May .....	6½
June .....	4½
July .....	4
August .....	4
September .....	5
October .....	7½
November .....	9½
December .....	13

During the years 1916 to 1919, inclusive, the amount deliverable in each year shall be delivered during the different months of the according to the following table of percentages:

Month.	Per cent.
January .....	12½
February .....	12½
March .....	11
April .....	8½
May .....	7
June .....	5
July .....	4½
August .....	4½
September .....	5
October .....	8
November .....	9½
December .....	12

In case the agreement is continued after December 31st, 1919, the amount of gas deliverable in such year thereafter, shall be delivered in the different months of the year according to the table of percentages for the years 1916 to 1919 inclusive. The amount deliverable during any month shall be delivered substantially in uniform daily amounts during such month, but the deliveries in any day may, however, vary between 80% and 120% of the amount deliverable for such day ascertained as above provided. Beginning with the 31st day of December, 1915, and thereafter during the continuance of this contract, the Columbia Company shall have the right to reduce or to increase the amount to be delivered and taken during any month so long as the amount delivered and taken is between 90% and 110% of the amount deliverable during such month determined as above, provided, however, that during each year ending

December 31st, the full quantity designated as the amount to  
542 be delivered and taken for any year, is delivered and taken, and provided also that during each six months' period ending October 31st, 35% of the amount designated as the amount to be delivered and taken in the same calendar year, is delivered and taken, notwithstanding any variation that there may have been in the quantity taken in any one month of such period.

9th. No dominion or control over the natural gas delivered under this contract shall remain in the United Company after the gas passes the point of delivery, nor shall United Company be responsible for or on account of anything that may be done, happen or arise touching said gas thereafter; and the Columbia Company undertakes and agrees that it will at all times and from time to time keep free, save harmless and indemnify United Company from any and all manner of claims, suits, and damages on account of any accident, act or thing touching said gas after it has left the said point of delivery.

10th. United Company undertakes and agrees that it will use reasonable diligence in developing and drilling on gas leases and property from time to time controlled by it for the purpose of fulfilling its obligations hereunder and enabling it to deliver the amounts of gas which in and by the terms hereof it undertakes and agrees to deliver, and for such purposes will build, provide, maintain and operate in good order, condition and manner such compressor stations, gathering pipe lines, connections and other facilities as may be necessary therefor, and will use all reasonable diligence consistent with good business judgment in obtaining and developing new gas leases and contracts for gas when the same become necessary in order to enable it to deliver gas under the terms of this contract, and such extensions, leases and contracts can be obtained on a basis profitable to said United Company.

543 11th. The obligation of the United Company to furnish and deliver the amounts of gas specified in the 2nd and 3rd Paragraphs hereof, shall be limited to the amount of gas produced by the United Company from gas fields then owned or leased by it, and gas purchased by it under contracts then current for the purchase of gas, which the United Company shall have available for de-

livery hereunder, after deducting from the total amount so purchased and produced the quantities of natural gas required to supply at an and all times domestic consumers connected to the United Company's own distributing system; and in case the quantities so available for delivery are less than the amounts deliverable under the provisions of the 2nd and 3rd Paragraphs hereof, the Columbia Company shall nevertheless purchase and take the quantities so available for delivery, and the same as nearly as may be shall be delivered and taken in the proportions specified in Paragraph 8th hereof. The United Company reserves the right in the usual course of its business to surrender, exchange, sell or otherwise dispose of any part of the gas properties now or hereafter owned or leased by it; should, however, United Company sell its gas properties as a whole, such sale shall be made subject to this agreement.

12th. It is mutually understood and agreed that where either party to this contract without fault or neglect on its part fails to perform any obligations herein assumed by it, and such failure is due to Acts of God, or to a public enemy, strikes, riots, injunctions or other interferences through legal proceedings, breakage or accidents to machinery or lines of pipe, washouts, earthquakes, storms, freezing of lines or wells, sudden partial or entire failure of gas wells, or any cause beyond its control, or is caused by the necessity for making repairs or alterations in machinery or lines of pipe, such failure shall not be deemed to be a violation by such party of its obligation hereunder; but such party shall use due diligence to again put itself forthwith in position to carry out all of the obligations which by the terms hereof it has assumed, and so far as possible shall give the other party notice in writing, or by telephone or telegraph of the shutting off of gas to make repairs or alterations.

13th. In case any lawful tax or assessment is hereafter imposed on natural gas in any manner so as to constitute in effect a charge upon the gas delivered hereunder, the amount of such tax or assessment or charges shall be borne one-half by the United Company and one-half by the Columbia Company, insofar as it affects or relates to or is apportionable hereto, and in the event that the United Company is required to pay the same, one-half the amount thereof shall be paid by the Columbia Company to United Company in addition to the prices above stated.

14th. In case the Columbia Company shall fail to pay to the United Company amounts that may be due and payable hereunder to United Company within twenty days after the same become due and payable, the United Company shall have the right without cancelling this contract or waiving any of its rights hereunder to suspend the delivery of natural gas hereunder until all amounts due to it are paid, and at its option shall have the right to terminate this contract on thirty days' notice to Columbia Company without prejudice to its right to collect the amounts due to it at the time of such termination for gas previously delivered hereunder, and to recover such damage as it may sustain by the breach of this contract by the Columbia Company.

15th. This contract shall bind and run in favor of the parties hereto, and their respective successors and assigns, but shall not be assigned by either party without the consent of the other.

545 In witness whereof the parties hereto have hereunto caused their corporate names to be signed by their respective Presidents and their respective seals to be hereunto affixed by their respective Secretaries the day and year first above written.

[Corporate Seal.]

(Signed)

UNITED FUEL GAS COMPANY.  
By F. W. CRAWFORD,  
*President.*

Attest:

H. C. REESER,  
*Secretary.*

[Corporate Seal.]

COLUMBIA GAS & ELECTRIC COMPANY,  
By W. Y. CARTWRIGHT,  
*Vice-President.*

Attest:

W. T. HUNTER,  
*Secretary.*

STATE OF OHIO,  
*County of Hamilton, ss:*

I, John M. Cronin, a Notary Public of the said County of Hamilton, do certify that W. Y. Cartwright personally appeared before me in my said County, and being by me duly sworn, did depose and say that he is the Vice President of the Columbia Gas and Electric Company, one of the corporations described in the writing above, bearing date the 1st day of January, 1913, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to the said writing is the corporate seal of said corporation and that said writing was signed and sealed by him in behalf of said Corporation by its authority duly given. And the said W. Y. Cartwright acknowledged the said writing to be the act and deed of said corporation.

Given under my hand this 7th day of June, 1913.

[Notarial Seal.]

(Signed) JOHN M. CRONIN,  
*Notary Public, Hamilton Co., Ohio.*

My commission expires Mar. 3, 1914.

546

Charleston, W. Va., July 18, 1918.

Columbia Gas & Electric Company,  
Attention Mr. W. Y. Cartwright, Vice President,  
Fourth & Plum Sts., Cincinnati, Ohio, and

Ohio Fuel Supply Company,  
Attention Mr. L. B. Denning, Assistant to President,  
2017 Farmers Bank Bldg., Pittsburgh, Pa.

DEAR SIRS:

As a memorandum of the oral agreement reached on yesterday in pursuance of previous negotiations, with reference to the price to be paid to the United Fuel Gas Company for gas supplied by it to the Columbia Gas & Electric Company and the Ohio Fuel Supply Company, during the calendar year 1918, I would thank you to advise me whether the following is a correct statement of this agreement, and if so, entries covering the matter will be made upon our books.

First. For the first 10,000,000,000 cubic feet taken by the Columbia Gas & Electric Company and the first 9,800,000,000 cubic feet taken by the Ohio Fuel Supply Company, they are to pay respectively the sum of 7c. per thousand cubic feet; and for any excess over 10,000,000,000 cubic feet taken by the Columbia Gas & Electric Company, or for any excess over 9,800,000,000 cubic feet taken by the Ohio Fuel Supply Company, during the calendar year 1918, they shall pay at the rate of 11c. per thousand cubic feet, the latter being the price, during the year 1918, charged to the Hope Natural Gas Company and the Pittsburgh & West Virginia Gas Company. The foregoing, however, is subject to the qualification that, should the Columbia Gas & Electric Company take during said year less than 10,000,000,000 cubic feet, or should the Ohio Fuel Supply Company take less than 9,800,000,000 cubic feet, then the quantity which each of said Companies shall have the right to purchase at the rate

of 7c. per thousand shall be limited to an entire quantity, of  
547 which the Columbia Gas & Electric Company shall have 51%  
and the Ohio Fuel Supply Company 49%. That is to say, if one of said Companies shall take less than the quantity above mentioned to which it is entitled at the 7c. rate, then the other Company shall be entitled to take, at such 7c. rate, either 2% more or 2% less, as the case may be, at the same rate. For all gas taken during said year by the Columbia Gas & Electric Company in excess of that to which it may be entitled under the last mentioned provision at the rate of 7c., but not in excess of the entire quantity of 10,000,000,000 cubic feet in said year, it shall pay at the rate of 10c., and for all gas taken by the Ohio Fuel Supply Company during said year in excess of the quantity to which it may be entitled at the 7c. rate, but not in excess of the entire quantity of 9,800,000,000 cubic feet, it shall pay at the rate of 10c.

Second. For the gas taken by each of you during the remainder of this year, you will be billed at the rate of 7c. per thousand cubic



feet, subject to such adjustment at the end of the year as may be required to meet the foregoing stipulation. It is understood that each of you have been charged for the gas previously taken during this year at the rate of 10c., and a refund will be made to each of you at the rate of 3c. per thousand as soon as this Company has the available cash for the purpose. We will make this refund to you ratably so as to give no preference to one Company over the other, but we do not agree to pay interest to either of you upon the amount to be refunded.

Third. In consideration of these concessions, each of you agree to relinquish any claim to the gasoline produced by this Company from the gas sold to each of you during this year, and you concede, for the time being, our right to extract the gasoline before delivering to you the gas. This agreement is made only for the year 1918, however, and is not to be used against either of you as an admission of our right to extract said gasoline in future years, nor as an admission against us of any right on your part to prevent our extraction of said gasoline, or of any right on your part to participate in the proceeds of said gasoline.

Fourth. The rights of all parties with reference to the subject matter of the foregoing shall continue to be governed by the provisions of the contract of July 31, 1916, except as modified by the agreement above recited as applicable to the year 1918.

Very respectfully yours,

(Signed)

UNITED FUEL GAS COMPANY.  
By R. G. ALTIZER,  
*Vice President.*

R. G. A./A.

Exhibit "Modification of Ohio Fuel Supply Company and Columbia Gas & Electric Company Contracts."

[Endorsed:] United Fuel Gas Company and Columbia Gas & Electric Company. Agreement.

550 COLUMBIA AND OHIO FUEL COS'. W. VA. EX. 44.

(Introduced at Page 1199, Record.)

W. VA. EX. NO. 44. J. B. S.

Charleston, W. Va., July 18, 1918.

Columbia Gas & Electric Company,  
Attention Mr. W. Y. Cartwright, Vice President,  
Fourth & Plum Sts., Cincinnati, Ohio, and

Ohio Fuel Supply Company,  
Attention Mr. L. B. Denning, Assistant to President,  
2017 Farmers Bank Bldg., Pittsburgh, Pa.

DEAR SIRs:

As a memorandum of the oral agreement reached on Yesterday in pursuance of previous negotiations, with reference to the price to be paid to the United Fuel Gas Company for gas supplied by it to the Columbia Gas & Electric Company and the Ohio Fuel Supply Company, during the calendar year 1918, I would thank you to advise me whether the following is a correct statement of this agreement, and if so, entries covering the matter will be made on our books:

First. For the first 10,000,000,000 cubic feet taken by the Columbia Gas & Electric Company and the first 9,800,000,000 cubic feet taken by the Ohio Fuel Supply Company, they are to pay respectively the sum of 7c. per thousand cubic feet; and for any excess over 10,000,000,000 cubic feet taken by the Columbia Gas & Electric Company, or for any excess over 9,800,000,000 cubic feet taken by the Ohio Fuel Supply Company, during the calendar year 1918, they shall pay at the rate of 11¢ per thousand cubic feet, the latter being the price, during the year 1918, charged to the Hope Natural Gas Company and the Pittsburgh & West Virginia Gas Company. The foregoing, however, is subject to the qualification that, should the Columbia Gas & Electric Company take during said year less than 10,000,000,000 cubic feet, or should the Ohio Fuel Supply Company take less than 9,800,000,000 cubic feet, then the quantity which each of said Companies shall have the right to purchase at the rate of 7¢ per thousand shall be limited to an entire quantity, of which the Columbia Gas & Electric Company shall have 51% and the Ohio Fuel Supply Company 49%. That is to say, if one of said Companies shall take less than the quantity above mentioned to which it is entitled at the 7¢ rate, then the other Company shall be entitled to take, at such 7¢ rate, either 2% more or 2% less, as the case may be, at the same rate. For all gas taken during said year by the Columbia Gas & Electric Company in excess of that to which it may be entitled under the last mentioned provision at the rate of 7¢, but not in excess of the entire quantity of

0,000,000,000 cubic feet in said year, it shall pay at the rate of 10¢, and for all gas taken by the Ohio Fuel Supply Company during said year in excess of the quantity to which it may be entitled at the 10¢ rate, but not in excess of the entire quantity of 9,800,000,000 cubic feet, it shall pay at the rate of 10¢.

Second. For the gas taken by each of you during the remainder of this year, you will be billed at the rate of 7¢ per thousand cubic feet, subject to such adjustment at the end of the year as may be required to meet the foregoing stipulation. It is understood that each of you have been charged for the gas previously taken during this year at the rate of 10¢, and a refund will be made to each of you at the rate of 3¢ per thousand as soon as this Company has the available cash for the purpose. We will make this refund to you separately, so as to give no preference to one Company over the other, but we do not agree to pay interest to either of you upon the amount to be refunded.

Third. In consideration of these concessions, each of you agree to relinquish any claim to the gasoline produced by this Company from the gas sold to each of you during this year, and you concede, for the time being, our right to extract the gasoline before delivering to you the gas. This agreement is made only for the year 1918, however, and is not to be used against either of you as an admission of our right to extract said gasoline in future years, nor as an admission against us of any right on your part to prevent our extraction of said gasoline, or of any right on your part to participate in the proceeds of said gasoline.

Fourth. The rights of all parties with reference to the subject matter of the foregoing shall continue to be governed by the provisions of the contract of July 31, 1916, except as modified by the agreement above recited as applicable to the year 1918.

Very respectfully yours,  
(Signed) UNITED FUEL GAS COMPANY,  
By R. G. ALTIZER,  
Vice President.

R. G. A./A.

Exhibit "Modification of Ohio Fuel Supply Company and Columbia Gas & Electric Company Contracts."

EX. W. VA. NO. 45. O. L. H.

RESERVE GAS COMPANY

VS.

FRANKLIN MCKINLEY et al.

Condemnation Proceeding.

*Petition Filed November 26, 1912.*

To the Honorable Charles W. Lynch, Judge of the Circuit Court of  
Lewis County, West Virginia:

Your petitioner, Reserve Company, a corporation created, organized and existing under and pursuant to the laws of the State of West Virginia, respectfully represents unto your Honor that it is such corporation created, organized and existing under the laws of said state; that it obtained its original certificate of incorporation or charter from the Secretary of State of said State on the 16th day of April, 1902, by which the incorporators are declared to be from the said date until the 1st day of January, 1952, a corporation by the name of Reserve Gas Company.

That for the purpose of enlarging and modifying its powers, rights and privileges, and with a view of investing itself with additional powers, rights and privileges, a resolution was adopted by the stockholders of your petitioner in stockholders' meeting assembled on the 9th day of September, 1908, providing that the objects and purposes for which said corporation was incorporated be enlarged and modified in accordance with and by virtue of the authority of Section 10 of Chapter 54 of the Code of West Virginia, so that said objects and purposes should be those set forth in a new agreement (which was

554 then adopted), and which new agreement is by said resolution adopted in lieu and instead of the one under which said corporation was theretofore organized.

That the said new agreement so adopted by said resolution in lieu and instead of the one under which petitioner corporation was organized, was duly executed and acknowledged by the stockholders signing the same; and the said resolution and new agreement duly acknowledged, and accompanied by the proper certificates and affidavits were delivered to and filed with the Secretary of State of said State of West Virginia in his office on the 29th day of October, 1908; and thereupon the said Secretary of State, on the said resolution and new agreement, and certificates and affidavits accompanying the same, issued to the stockholders named in said new agreement, and all the other stockholders of said corporation, and their successors and assigns, an amended or modified charter or certificate of incorporation of this petitioner, thereby declaring the stockhold-

ers named in said new agreement and all the other stockholders of said corporation and their successors and assigns to be, from the date thereof (October 29th, 1908), until the 1st day of January, 1952, a corporation by the name and for the purposes and objects set forth in the said new agreement; and further thereby declaring that the said corporation shall henceforth be subject to such new agreement as set forth in said certificate in lieu of its original certificate of incorporation.

Your petitioner if required will file as part of this petition duly certified copies of the said original charter or certificate of incorporation and the said new or amended and modified charter or certificate of incorporation, marked and designated "Exhibit No. 1;" and prays that the same if, and when, filed may be taken, read and considered as part hereof, and your petitioner invites the  
555 attention of the Court especially to the said resolution and new agreement and the said new or amended and modified charter or certificate of incorporation.

That as shown by said resolution and new agreement and the said new or amended and modified charter or certificate of incorporation, petitioner is thereby continued as such corporation by the name of Reserve Gas Company; and that petitioner is incorporated for the objects and purposes following:

For drilling, boring, mining and operating for the production of natural gas; the producing, dealing in, buying and selling, acquiring, storing, transporting by pipes and other wise natural gas for its own use and for the selling and supplying of natural gas for industrial, commercial, domestic and other public and private uses for heat, light, fuel and power to persons, firms, partnerships, corporations and other consumers and purchasers for use in cities, towns, villages, districts and other municipalities and places in the State of West Virginia, as well as elsewhere, where the said natural gas may be discovered, purchased, stored or transported by the said Reserve Gas Company; for the erecting, laying, maintaining, operating, repairing and removing derricks, pipes, lines of pipes, connections and regulators, pump stations, buildings, shops, structures, tanks, pumps, compressors, cooling plants, gasometers, valves, gates, telegraph and telephone poles and lines, and all other structures and appliances, including street mains, pipes and conduits necessary, incident and convenient to the production, storage, piping and transporting and conveyance of natural gas and petroleum oil; for the production, saving, storing, dealing in and selling petroleum oil, gasoline and such other substances as may be found in the drilling and mining for or handling of natural gas and oil. Also for the  
556 purchasing, leasing, acquiring, holding, owning, granting and conveying all such lands and leaseholds for oil and gas purposes and such other real and personal property, including rights of way, as may be necessary and convenient for the purpose of producing, transporting, selling and supplying natural gas and petroleum oil, and for the full and complete exercise and enjoyment of each and all of the powers and purposes hereinbefore as well as hereinafter set forth, and with the right and power, from time to time, to sell, lease, surrender and dispose of any or all of such

real and personal property. Also to have, exercise and enjoy the right of eminent domain, and in the exercise of such right to take, condemn, use and enjoy such lands, rights of way, easements and property as shall be necessary to enable it to lay and construct its mains, pipes and conduits, pump stations, telegraph and telephone lines, dams and other structures and appliances necessary and required or convenient to the producing, storing, cooling and transporting of natural gas; and also to have the right and power to subscribe for and purchase and acquire and transfer the stocks, bonds and securities of other companies, and to have the right and power to do all other acts, and to have and possess all other powers and privileges, necessary for the carrying out of the objects and purposes of this corporation, as above set forth.

Petitioner further shows and represents that since the granting to it of the said new or amended and modified certificate of incorporation, it has been operating under the same and exercising the powers, rights and privileges thereby conferred upon it and with which it is thereby invested.

That since the granting of said new or amended and modified charter or certificate of incorporation, as well as for several years before, petitioner has been, and is engaged in the business of selling and supplying natural gas for industrial, commercial, 557 domestic and other public and private uses for heat, light, fuel and power to persons, firms, partnerships, corporations and other consumers and purchasers for use in incorporated cities, towns, villages, districts and other municipalities and places in the State of West Virginia, and has been and is supplying natural gas to the public for fuel, illuminating and other purposes, and has been, and is still, at great expense and cost to it, erecting, laying, maintaining and operating pipes and lines of pipe, etc., for transporting natural gas with which to supply the public and said other purchasers and consumers with natural gas for fuel, illuminating, heat, power and other purposes; and that it has been and is transporting natural gas to be supplied to the public and said other purchasers and consumers for fuel, heat, illuminating, power and other purposes by and through its said pipes and pipe lines.

That petitioner in the exercise of its rights, powers and privileges, and in the conduct of its business, has been and is supplying natural gas for public use for the purpose of heating and illumination to the town of Wilsonburg, in the State of West Virginia, and to the inhabitants thereof.

That in addition to the above town, petitioner supplies natural gas for heating, illuminating, power, fuel and other purposes to the citizens of a large number of unincorporated towns and villages in the State of West Virginia, and to persons residing in and inhabiting such unincorporated towns and villages.

That in addition to the unincorporated towns and villages and the inhabitants thereof, aforesaid, to which petitioner supplies natural gas for the purposes aforesaid, it also supplies natural gas for 558 such purposes to various school houses and school sub-districts in the counties of Lewis and Harrison, in the State of West



Virginia; and to a large number of contractors and persons, firms and corporations drilling oil, gas and other wells in said counties, and to a large number of other persons, firms and corporations for use in pumping, operating water stations, oil pumping stations, manufacturing plants, etc.

That natural gas so supplied by petitioner to unincorporated towns and villages and the inhabitants thereof for heating and illuminating purposes, as well as to school sub-districts and houses, individuals, water stations, oil pumping stations and other consumers is supplied under contracts; and that where the same is supplied for heating and illuminating purposes to unincorporated towns and villages, it is done under contract with such towns and villages, and where the same is supplied to school houses, it is so supplied under contract with the proper school officers. That petitioner has existing valid contracts extending into the future, for supplying natural gas to said towns, inhabitants and consumers.

That petitioner in supplying natural gas to the said unincorporated towns and villages, and their inhabitants, for the purpose of heating, illumination, etc., has been and is occupying the public highways, streets and alleys of such incorporated towns and villages for the purpose by means of the location therein of its pipes, connections, boxes, valves and other fixtures, under authority of a franchise from the county court of said counties, respectively. That in the county of Harrison, petitioner has and is the owner of a franchise from the county court authorizing it to locate, lay and maintain in the roads, streets and alleys thereof pipes, connections, boxes, valves and other fixtures for the purpose of supplying natural gas to the inhabitants of said county. That petitioner has and is the owner of a franchise from the county court of Lewis County authorizing it to lay, maintain and operate, across the public highways in said county pipes and other fixtures for the purpose of supplying natural gas for public use.

That petitioner supplies, under valid contracts, natural gas to various village and town settlements in Lewis and Harrison Counties, and to the inhabitants thereof, and to a large number of individual consumers therein, for use for heat, light, power and other purposes; and it also supplies, under valid contracts, natural gas to a large number of individual consumers in Lewis and Harrison Counties, and to manufacturing plants therein, for heat, light, manufacturing and other purposes; it also furnishes and supplies from time to time, to other incorporated gas companies, under valid contracts, natural gas for consumption and use by a large number of individuals, firms, partnerships, corporations and associations in the City of Mannington, and the towns of Littleton, Pine Grove, Smithfield, Wileyville, Hundred, Fairview, and West Milford, and the unincorporated towns of Wallace, Folsom, Metz, Glovers Gap and Wadestown, in the State of West Virginia; and that said other incorporated gas companies, so supplying said last named cities and towns, supply gas to the inhabitants thereof under valid franchises and contracts.

That petitioner, as is its bounden duty, furnishes, and is ready and willing to furnish, at uniform and reasonable rates, natural gas for

heating, illuminating, fuel, power and other purposes to every inhabitant of the said unincorporated villages and towns above  
560 named who applies therefor and who complies with the lawful and reasonable rules and regulations of petitioner, and also furnishes and is willing to furnish all other consumers therewith, at uniform and reasonable rates.

That it became necessary for petitioner, in order to supply natural gas to the said several unincorporated villages and towns, and their inhabitants, as well as the several other towns, individuals, firms, corporations, co-partnerships, etc., for heating, fuel, illuminating, power and other purposes, and to keep up the required and necessary supply of such gas, that it discover and produce the same, it became necessary for petitioner to drill, at large cost and expense, new wells for the purpose in the county of Lewis and several other counties in the State of West Virginia, and to acquire other wells in said counties; and that petitioner has drilled several new wells in said several counties and has discovered and found a large supply of natural gas in the said wells, and has acquired sundry other wells producing natural gas. That from said wells so drilled by it, as well as from said wells so acquired by it, petitioner produces natural gas with which to supply the said unincorporated villages and towns and the said inhabitants thereof, aforesaid, as well as said other purchasers and consumers. And that in order to supply said unincorporated villages and towns and the inhabitants thereof, as well as other consumers and prospective consumers in Lewis county, and elsewhere, with such natural gas produced from said last mentioned wells, for heating, illuminating and other purposes it is necessary that petitioner lay, construct and maintain an additional line of pipe from some of the wells in said several counties, through a portion of said Lewis  
561 county, and portions of other counties in the State of West Virginia, so as to reach the above-mentioned unincorporated villages and towns, and the inhabitants thereof, as well as said other consumers in Lewis county and elsewhere, with said pipe line for the purpose of transporting such natural gas; and it is also necessary that petitioner transport such natural gas through said pipe line and supply the same for said purposes to said incorporated cities and towns, and the inhabitants thereof, and said other consumers in said Lewis county and elsewhere.

Petitioner avers that it has valid subsisting contracts with inhabitants in said Lewis and other counties, which contracts require petitioner to supply said last-named inhabitants with natural gas, and that in order to enable petitioner to perform the obligations of said contracts and to furnish gas to said inhabitants and other prospective consumers, it is necessary that petitioner lay and construct its pipe line along the route and over, in and through the piece, parcel or strip of land hereinafter particularly described.

That petitioner has surveyed a route for laying and constructing said pipe line from its gas wells through a portion of said county of Lewis as well as portions of others of said counties in the State of West Virginia, and proposes to, and it is necessary for it to lay and

construct a six-inch line of wrought iron or steel pipe for transporting natural gas for public use along the route so surveyed and marked out for that purpose; and petitioner has procured rights of way or easements for the laying, constructing and maintenance of such pipe line over and through several of the tracts of land through which the same passes on the line or route so surveyed; and that petitioner has begun, and is now engaged in, the actual laying and construction of the said pipe line on the route so selected and surveyed for that purpose through a portion of said Lewis county and portions of other said counties in the State of West Virginia; that among the lands over and through which the said route for said pipe line has been selected, and over and through which it was and is necessary that said pipe line be laid, constructed and maintained are three tracts of land containing in the aggregate about 44 acres, and situated in said Lewis County, said State of West Virginia, adjoining lands of R. H. Hall and Sim Hall.

Which said tract of land is owned in fee simple as follows: Franklin McKinley is the owner in fee simple of a 19-acre tract, part of said 44 acres, known as Lot No. 1, except that Alrose Lucile McKinley, an infant, and Lessie Rill McKinley, an infant, own in fee simple all of the oil and gas within and underlying said Lot No. 1, and all the coal and other minerals under said 19 acres below the level of the bed of the creek which runs through said land, and all the oil and gas rentals and royalties, together with necessary rights to produce, mine and carry away said oil and gas, coal and other minerals, subject to the dower right in said oil, gas, coal and other minerals which is vested in Flora A. Smith as the widow of George McKinley, deceased. Franklin McKinley is the owner in fee simple of an 8-acre tract, part of said 44 acres, known as Lot No. 4, except that Alrose Starcher is the owner in fee simple of all of the coal below the level of the stream in said Lot No. 4, with mining rights, and also one-sixteenth of all the oil within and underling said lot and the one-half of all the royalties and delay rentals to be paid for all of the gas produced from said Lot No. 4, and that A. S. Starcher is the husband of said Alrose Starcher. Franklin McKinley is the owner in fee simple of a 17-acre tract, the remaining part of said 44 acres, known as Lot No. 3, except that Aldo McKinley is the owner in fee simple of all the oil and gas within and underlying said Lot No. 3, and all the coal lying below the level of the bed of the stream at the public road, with mining rights and privileges.

That said Lots Nos. 1, 4 and 3, containing 19, 8 and 17 acres, respectively, or a total of 44 acres, is owned in fee simple as aforesaid, with the exception of certain leases and leasehold rights and estates for oil and gas purposes which are owned as follows: Petitioner, Reserve Gas Company, is the owner of a certain leasehold estate in the oil and gas in said Lot No. 1, containing 19 acres, and has one producing gas well thereon, and is in the possession thereof, operating the same for gas. West Virginia Central Gas Company, a corporation, is the owner of certain leasehold estates in the gas, and Eastern Oil Company is the owner of certain leasehold estates in the oil, in said Lots Nos. 4 and 3, containing 8 acres and 17 acres, re-

spectively, and said West Virginia Central Gas Company has a producing gas well upon each of said two lots, and is in the possession thereof, operating the same for gas; and with the further exception that West Virginia Central Gas Company, a corporation, owns a right of way or easement over, through and across said Lot No. 1 to maintain, operate and remove a pipe line for the transportation of natural gas.

That it is necessary for petitioner to, and it proposes to construct, lay, maintain and operate its said pipe line in said county of Lewis over and through the said last named three tracts of land of said Franklin McKinley and the oil, gas, coal and other minerals of said Alrose Lucile McKinley, an infant, Lessie Rill McKinley, an infant, Alrose Starcher, Aldo McKinley, and the dower right of Flora A. Smith in said Lot No. 1, and over the leasehold rights of said petitioner, and said West Virginia Central Gas Company and  
564 Eastern Oil Company, and over the easement or right of way of said West Virginia Central Gas Company, as to Lot No. 1, and that it desires to proceed with the laying and construction of said pipe line over and through the said lands.

That petitioner desires and proposes to take for the purpose of constructing, laying and maintaining its said pipe line, a right of way or easement to lay, construct, operate and maintain over and in the certain piece, parcel or strip of said land hereinafter described along the center line hereinafter set out of the survey over said land, such six inch line of wrought iron or steel pipe for transporting natural gas for public use; which said piece, parcel or strip of said land is bounded and described as follows, to-wit: A strip of land situated in Freemans Creek District, Lewis County, West Virginia, 20 feet in width, being in line 10 feet on each side of a center line, which said center line begins at a point in the line between the lands of Franklin McKinley and R. H. Hall, said point standing N. 10° E. 709 feet from a fence post corner of R. H. Hall and George McKinley heirs, thence extending across the lands of Franklin McKinley South 74° 30' east 230 feet to a stake; thence South 66° 30' east 871 feet to a point on the boundary line between the lands of said Franklin McKinley and Sim Hall, which point stands on said boundary line S. 8° E. 172 feet from a fence post, a common corner between lands of Franklin McKinley and Sim Hall.

Your petitioner files herewith as part hereof a plat of said piece, parcel or strip of said land through which it proposes to take said right of way or easement, which plat is marked "Plat" for identification.

That the said right of way or easement for such line of pipe over and in said piece, parcel, or strip of said land is proposed to be taken by your petitioner, and is intended by your petitioner  
565 to be appropriated for the purpose of constructing, laying, maintaining and operating such pipe line for transporting natural gas for public use, under and by virtue of its new or amended and modified charter or certificate of incorporation, under the laws of said State. That petitioner will appropriate and use said right

of way or easement for such line of pipe over and in said piece, parcel or strip of land for public use and for the purpose of constructing, laying, maintaining and operating such pipe line for transporting natural gas for public use, and intends to, and will, use said line of pipe for transporting natural gas for public use.

That petitioner proposes to and will bury the said line of pipe where the same is laid and constructed through said strip, piece or parcel of said land) at a depth of at least twelve inches under the surface, and all excavations will be well filled by petitioner and so kept by it. And that the said owner of said land, and others interested, after said line of pipe has been laid and buried, are to, and will, have the full use and enjoyment of the surface of said land for agricultural and other purposes in like manner as before the entry of your petitioner on the same, and are to, will and shall have the full use and enjoyment of said land in all other respects after said line of pipe is laid, the same as before, except as to the space under the surface occupied by said line of pipe, and except as to such temporary use as shall be necessary in maintaining said line of pipe and in taking up and removing the said line of pipe after the abandonment of said line and easement.

That an easement or right of way in, over and through said strip of said land is essential and necessary for the use of petitioner in the construction and maintenance of its pipe line, and it cannot construct and maintain such line without said easement or right of way.

That the use and purpose to which petitioner intends and proposes to, and will, put and appropriate said easement or right of way is a public use and purpose.

That the said Franklin McKinley is the sole owner of said land, and Alrose Lucile McKinley, an infant, and Lessie Rill McKinley, an infant, and Flora A. Smith, are the sole owners of said oil, gas, coal and minerals in said Lot No. 1, and that Alrose Starcher is the sole owner of said oil, gas, coal and minerals in said Lot No. 4, as hereinbefore shown, and that Aldo McKinley is the sole owner of the oil, gas, coal and minerals in said Lot No. 3, as hereinabove shown, so far as known to petitioner, and that (as above shown) the nature of the interests of said owners is fee simple title, except that Flora A. Smith has a dower right only in the oil, gas, coal and minerals in Lot No. 1, as above shown, and except that West Virginia Central Gas Company has an easement only in Lot No. 1, as above shown. And your petitioner further avers and shows that petitioner owns and holds a lease for oil and gas purposes upon said Lot No. 1, containing 19 acres, and that West Virginia Central Gas Company as to the gas, and Eastern Oil Company, as to the oil, own and hold leases for oil and gas purposes upon said lots No.'s 4 and 3, containing 8 acres and 17 acres, respectively, which leases are, as petitioner is advised, in full force and effect. That the same are made upon the usual terms of oil and gas leases in that neighborhood, and grant to said lessees, respectively, the rights and privileges for operating, developing and producing the oil and gas in said lands. If insisted upon, your petitioner will file as parts of this

petition certified copies of said oil and gas leases, and the record evidence of the title to said lessees.

567 That petitioner does not find upon the records of said Lewis

County any lien, except the following recorded lien, upon and against said 44 acres of land and upon and against the interests of all of the owners thereof, or of interests and rights therein as hereinbefore shown, that is to say: A vendor's lien to secure the title to another tract of land, reserved in a conveyance of 200 acres, which included said 44 acres, in a deed dated July 20, 1846, executed by James Woofter and wife to Evan Carmack, of record in Lewis County Clerk's office in Deed Book "S," page 11; but petitioner avers that said lien has been fully discharged and satisfied, and that the persons in whose favor said lien was retained have long since died, and that the rights and liabilities of all persons under said lien have long since terminated, and that in fact the same constitutes no present lien upon the said 44 acres of land, or of any interest therein. That petitioner does not find upon the records of said Lewis County any other claims to said land, or to any interest therein, or to any part thereof, than those hereinabove set out. That it does not find any conflicting claims thereto, or to any interest therein, or any part thereof.

That J. H. Smith is the guardian of said Alrose Lucile McKinley, an infant, and of Lessie Rill McKinley, an infant, and A. S. Starcher is the husband of Alrose Starcher.

That what is hereinbefore said in respect to the nature of the respective interests of the owners of said land, is all the information possessed by petitioner, or ascertainable by it touching the same; and the same is correct so far as known to your petitioner.

Petitioner further shows and represents that it has attempted to, but is unable to, agree with the owners of said land and the persons

owning the said oil, gas, coal and mining rights and privileges  
568 underlying the same, and the owners of said easement or right  
of way across Lot No. 1, and the owners of said oil and gas

leases upon said land, aggregating 44 acres, an easement or right of way through which is so proposed to be taken by petitioner for the said public use and purposes as aforesaid, as to the amount of compensation for said easement or right of way in and through said parcel or strip of said land so proposed to be taken. That said owners will not agree to a fair price for said easement or right of way in, over and through said strip or parcel of said land so proposed to be taken; and also refuse to give your petitioner a right of way or easement over, in or through said land.

That the survey, location and route of petitioner's said pipe line aforesaid, so located and surveyed through the said county of Lewis, as well as through the said tracts of about 44 acres of land aforesaid in such county, and the aforesaid strip, piece or parcel of such land, has been regularly and duly authorized, selected, located, approved and adopted by the proper officers of petitioner and by its Board of Directors.

Petitioner further represents and avers that it has caused notice to be given to said owners of its intention to file this petition and make this application, as will more fully appear from said notice itself.





Exhibit "Plat" filed with the Petition.

Survey for proposed 6" gas line  
for the Reserve Gas Co., across the  
lands of Dr. Frank McKinley  
Freeman's Creek Dist., Lewis Co.,  
Surveyed Oct. 7th, 1912, by J.P. McClintock  
Scale 1" = 400' Bk. 104, Pp. 33-34.

and the evidence of the service of the same endorsed thereon, herewith filed marked "Notice," and here made part of this petition.

That in taking the said easement or right of way aforesaid, so proposed to be taken by petitioner, it will not be necessary to take any dwelling house, yard or garden, nor will any such be taken therein or thereby; and in taking the said easement or right of way, and appropriating and putting the same to the public use and purpose

to which petitioner proposes to and will appropriate and put the same and in which it will use the same, it is not, and will not be, necessary to erect or lay any oil tank or gas or oil pipe line within one hundred feet of any occupied dwelling house, nor shall any oil tank, gas or oil pipe line be erected or laid within one hundred feet of any occupied dwelling house.

That said tract of about 44 acres of land aforesaid does not lie within any municipal corporation.

That petitioner has the right to acquire and take said right of way or easement in and by this petition and application under the law.

Petitioner therefore prays that commissioners may be appointed by this Court to ascertain a just compensation to the persons entitled thereto for the said easement or right of way over, in and through the land hereinbefore described, proposed to be taken by your petitioner for the purpose and use aforesaid; that such proceedings may be had in the premises as conform to law; and that upon the payment of the compensation by your petitioner the said above described easement or right of way in, over and through said land may be vested in your petitioner. And your petitioner also asks such other and general relief as the Court may deem proper to award in the premises.

(Signed)

RESERVE GAS COMPANY,  
By A. B. FLEMING,  
W. W. BRANNON,  
E. A. BRANNON,  
CHARLES POWELL,  
KEMBLE WHITE,

*Its Attorneys.*

(Here follows diagram marked page 570.)

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## 571 (EXHIBIT "NOTICE" FILED WITH THE FOREGOING PETITION.)

To Franklin McKinley, Alrose Lucile McKinley, an Infant; Lessie Rill McKinley, an infant; J. H. Smith, guardian of said Alrose Lucile McKinley and Lessie Rill McKinley, infants; Flora A. Smith, Alrose Starcher, and A. S. Starcher, her husband; Aldo McKinley, West Virginia Central Gas Company, a corporation; Eastern Oil Company, a corporation:

You will please take notice that on the 26th day of November, 1912, at 10 o'clock A. M., an application by petition will be made by the undersigned to the Circuit Court of Lewis County, West Virginia, at the Court House of said county, for the appointment by said Court of commissioners to ascertain a just compensation to the persons entitled thereto, for a right of way or easement to lay, construct, operate and maintain across, in and through the certain piece, parcel or strip of land hereinafter described, situated in Lewis County, West Virginia, (in which some of you are interested as owners in fee, others of you as owners and holders of easements upon portions thereof, and others of you as owners and holders of leases and leasehold rights and estates upon said land, and upon portions thereof, along the center line hereinafter set out of the survey over said land, a six inch line of wrought iron or steel pipe for transporting natural gas for public use, to be buried at a depth of at least 12 inches under the surface; and for such orders and proceedings to be then and there entered and had as may be necessary to condemn the said right of way or easement for such public use and purpose; the said piece, parcel or strip of land being bounded and described as follows, to-wit:

A strip of land situated in Freemans Creek District, Lewis County, West Virginia, 20 feet in width, being in line 10 feet on each side of a center line, which said center line begins at a point in

572 the line between the lands of Franklin McKinley and R. H. Hall, said point standing N. 10° E. 709 feet from a fence post corner of R. H. Hall and George McKinley heirs, thence extending across the lands of Franklin McKinley South 74° 30' east 230 feet to a stake; then South 66° 30' east 871 feet to a point on the boundary line between the lands of said Franklin McKinley and Sim Hall, which point stands on said boundary line S. 8° E. 172 feet from a fence post, a common corner between lands of Franklin McKinley and Sim Hall.

The plat of said land marked "Plat" is filed with the application in writing in the case.

And which right of way or easement for such line of pipe across, through, in and over said piece, parcel or strip of land is proposed to be taken by the undersigned Reserve Gas Company, a corporation duly created and acting under and by virtue of the laws of the State of West Virginia, and is intended by said Company to be appropriated for the purpose of constructing, operating and maintaining such pipe line for transporting natural gas for public use, under and by virtue of its charters, under the laws of said State.

You, the said owners of said land, and of portions thereof, and of interests, rights and estates therein and thereto, and portions thereof, and persons holding easements therein, after said line of pipe has been laid and buried, to have the full use and enjoyment of the surface of said piece, parcel or strip of land for agricultural and other purposes in like manner as before the entry of the under-  
 signed, and to have the full use and enjoyment of said land in all other respects after said line of pipe is laid, the same as before,  
 573 except as to the space under the surface occupied by said line of pipe, and except as to such temporary use as shall be necessary in maintaining said line of pipe, and in taking up and removing said line of pipe after the abandonment of said line of pipe and easement.

Dated this 13th day of November, 1912.

(Signed)

RESERVE GAS COMPANY,  
 By A. B. FLEMING,  
 W. W. BRANNON,  
 E. A. BRANNON,  
 CHARLES POWELL,  
 KEMBLE WHITE,

*Its Attorneys.*

STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

J. U. Jolliff, being duly sworn, says that he executed the within notice upon the within named Franklin McKinley, Alrose Starcher and A. S. Starcher, her husband, and Aldo McKinley by delivering to each of them in person in Lewis County, West Virginia that being the County wherein the said parties reside, a true copy thereof, on the 16th day of November, 1912.

(Signed)

J. U. JOLLIFF.

Subscribed and sworn to before me, a Notary Public in and for the County of Harrison, State of West Virginia, by the said J. U. Jolliff, this 21st day of November, 1912.

(Signed)

P. E. HILL,  
*Notary Public, Harrison County, West Virginia.*

My commission expires June 17, 1917.

574 STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

John C. Long, being first duly sworn, on his oath says that he served the within notice upon the within named Alrose Lucille McKinley, Lessie Rill McKinley and J. H. Smith as Guardian of Alrose Lucille McKinley and Lessie Rill McKinley, infants, and Flora A. Smith on the 18th day of November, 1912, by delivering to them and to each of them in person, in the County of Wirt, West Virginia, a true copy hereof.

(Signed)

JOHN C. LONG.

Taken, sworn to and subscribed before me on this the 19th day of November, 1912.

(Signed)

PHILIP P. STEPTOE,  
*Notary Public for Harrison County, West Va.*

My commission expires Feb. 23, 1914.

575

RESERVE GAS COMPANY

vs.

FRANKLIN MCKINLEY et al.

Upon Proceeding to Take an Easement in, Over, and Through Land for Public Use.

(Order Entered November 29, 1912.)

This day came Reserve Gas Company, a corporation, by A. B. Fleming, W. W. Brannon, E. A. Brannon, Charles Powell and Kemble White, its attorneys, and presented a notice given by it to Alrose Lucile McKinley, an infant, Lessie Rill McKinley, an infant, J. H. Conrad, Guardian of said Alrose Lucile McKinley, infant, and of Lessie Rill McKinley, infant, and to Flora A. Smith, notifying them that said Reserve Gas Company would at this time and place file its application by petition for the appointment by the court of commissioners to ascertain a just compensation to the persons entitled thereto for a right of way or easement to lay, construct, operate and maintain across, in and through that certain piece, parcel or strip of land in said notice particularly described, along the center line particularly described therein, a line of wrought iron or steel pipe of the diameter of six inches for transporting natural gas for public use, to be buried at a depth of at least twelve inches below the surface; and for such orders and proceedings to be entered and had as may be necessary to condemn the said right of way or easement for such public use or purpose.

And thereupon the petitioner and applicant moved the court that said notice be filed and made part of the record herein.

And the court having seen and inspected said notice and return of service endorsed thereon, and it appearing that the said  
576 notice was duly served upon said Alrose Lucile McKinley, an infant, Lessie Rill McKinley, an infant, J. H. Smith, Guardian of said Alrose Lucile McKinley, infant, and of Lessie Rill McKinley, infant, and upon Flora A. Smith, in Wirt County, West Virginia, on the 18th day of November, 1912, and that each of said four persons has had more than ten days' notice of the filing of said petition and application in writing, for the purposes mentioned in said notice; it is therefore ordered that the said notice be and the same is hereby filed, and made part of the record of this proceeding.

On motion of said petitioner and applicant, John H. Conrad is appointed Guardian ad litem for the two infant defendants, Alrose Lucile McKinley, infant, and Lessie Rill McKinley, infant.

Thereupon came the said John H. Conrad, Guardian ad litem as aforesaid, and filed in open court his answer as such guardian ad litem for said two infant defendants, duly verified by affidavit, to the petition and application of the applicant herein, to which answer the applicant replies generally. And came also the defendant Franklin McKinley in person and by Thomas I. Cummings, his counsel.

And it further appearing to the court that this proceeding is regularly matured for hearing upon the application and petition, as to all defendants; and the court having read and inspected said petition and application and plat and exhibits therewith, finds that it describes the said lands, a right of way or easement across, through and in which, for laying, constructing, operating and maintaining a line of wrought iron or steel pipe of the diameter of 6 inches, for transporting natural gas for public use, it proposed to take, and states the name of the owners of said land and the nature of the interest of said parties therein, and the purpose for which said easement or right of way is proposed to be taken, and that said applicant has been unable to, and has failed to, agree with said owners as to the compensation to be paid them therefor, and also states the other matters and things required by law to be stated in such application, the court doth therefore find and order that the use for which the land or easement sought to be appropriated by the applicant in this case is to be taken is a public use, and that said land or easement or right of way is necessary to be taken by said applicant for the use and purposes as in said application and petition alleged, and that this case is one in which the applicant has the right to condemn for the use and purposes averred in its said application the said easement therein set out, and has a lawful right to take the said easement or right of way, that is to say: An easement or right of way for the purpose of laying, constructing, maintaining, operating and removing a line of wrought iron or steel pipe of the diameter of 6 inches of the applicant for transporting natural gas for public use in, over and through a certain piece, strip or parcel of land (containing about 44 acres) belonging to said Franklin McKinley, Alrose Lucile McKinley, an infant, Lessie Rill McKinley, an infant, J. H. Smith, Guardian of said Alrose Lucile McKinley and Lessie Rill McKinley, infants, Flora A. Smith, Alrose Starcher and A. S. Starcher, her husband, Aldo McKinley, West Virginia Central Gas Company, a corporation, Eastern Oil Company, a corporation, bounded and described as follows, viz: A strip of land situated in Freemans Creek District, Lewis County, West Virginia, 20 feet in width, being in line 10 feet on each side of a center line, which said center line begins at a point in the line between the lands of Franklin McKinley and R. H. Hall, said point standing N. 10° E. 709 feet from a fence post corner of R. H. Hall and George McKinley heirs, thence extending across the lands of Franklin McKinley South 74° 30' east 230 feet to a stake; thence South 66° 30' east 871 feet to a point on the boundary line between the lands of said Franklin McKinley and Sim Hall, which point stands on said boundary line

S. 8° E. 172 feet from a fence post, a common corner between land of Franklin McKinley and Sim Hall.

And the said Reserve Gas Company now asking by petition the appointment of five disinterested freeholders to serve as commissioners to ascertain what will be a just compensation to the person entitled thereto for the easement so to be taken and appropriated by said Reserve Gas Company as aforesaid, &c.; and the court proceeding to the appointment of commissioners as so asked, do hereby nominate thirteen disinterested freeholders in this county as follows: J. Goodloe Jackson, J. S. Turner, Perry E. Fetty, Frank L. Taylor, John B. Watson, J. E. Swisher, A. M. McQuain, W. C. Harold, Lee A. Beach, T. J. Lough, George L. Post, Luke White and J. W. Duncan, and the said applicant and the defendant Franklin McKinley now appearing by their respective counsel, and the guardian ad litem also now appearing, proceeded to ascertain, as provided by law, from said thirteen disinterested freeholders the five to act as commissioners, which lot and choice fell upon the following named five freeholders (of said thirteen) to act as such commissioners: Perry E. Fetty, Frank L. Taylor, J. E. Swisher, W. C. Harold and T. J. Lough.

Thereupon it is further ordered by the court that said five freeholders so selected as such commissioners shall act as such, and that after being duly sworn for the purpose, they do proceed with all convenient speed and after viewing said premises and hearing 579 any proper evidence offered, ascertain according to law what will be a just compensation to the parties entitled thereto for the right of way or easement to lay, construct, operate and maintain said line of wrought iron or steel pipe for transporting natural gas for public use on, over and through the said strip or parcel of land so proposed to be taken by the applicant in this case, as well as damages to the residue of said real estate beyond the peculiar benefit which will be derived in respect to such residue from the work to be constructed, or from the purpose to which the part to be taken by the applicant is to be appropriated, and make report of their proceedings to this court according to law.

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RESERVE GAS COMPANY

vs.

FRANKLIN MCKINLEY et al.

Upon Proceeding to Take an Easement in, Over, and Through Land for Public Use.

(Order Entered December 23, 1912.)

This day came the applicant, Reserve Gas Company, by A. I. Fleming, W. W. Brannon, E. A. Brannon, Charles Powell and Kemble White, its attorneys, and came also the defendant Franklin McKinley by Thomas I. Cummings, Esq., his attorney, and came also John H. Conrad, Guardian ad litem for the infant defendant



Alrose Lucile McKinley and Lessie Rill McKinley, and on motion of the applicant the oath taken by the commissioners appointed in this case, duly certified, as required by law, is now filed in the papers of this case. And upon like motion of said applicant, the report of the four of said commissioners who acted (the other commissioner not having acted), which was filed in the clerk's office December 20, 1912, is now filed in the papers of this case, said report bearing date December 20, 1912; and to which report the defendant, Franklin McKinley, has made and filed exceptions and demanded that the question of compensation to be paid for the land or easement proposed to be taken by the applicant in this proceeding be ascertained by a jury of twelve freeholders to be selected and empaneled for the purpose in the manner provided by law, which said exceptions to said report, as well as said demand, are attached to the said report. And on the further motion of the applicant, it is ordered that the said report of commissioners, together with the oath so taken  
581 by said commissioners and certified as aforesaid and filed by this order, and the said exceptions made and filed to said report, be recorded in full in the law order book of this court, all of which is now done; said report, oath and exceptions being in the words and figures following, to-wit:

(Oath.)

"RESERVE GAS COMPANY, a Corporation,  
vs.

FRANKLIN MCKINLEY and Others.

Upon Proceeding to Take an Easement in, Over, and Through  
Land for Public Use.

STATE OF WEST VIRGINIA,  
*County of Lewis, To wit:*

I, John H. Conrad, Clerk of the Circuit Court of Lewis County, West Virginia, do hereby certify that Frank L. Taylor, J. E. Swisher, W. C. Harold and T. J. Lough, Commissioners appointed by the Circuit Court of Lewis County, West Virginia, upon the application of the Reserve Gas Company, a corporation, to ascertain a just compensation to the said Franklin McKinley and others, owners of land proposed to be taken by said Company for public purposes, and described in the petition of said Company, led in the said Court on the 26th day of November, 1912, personally appeared before me in my said County on this day, and each of them, before entering upon the discharge of his duties as such Commissioner, made oath that he will honestly and impartially perform his duties as such Commissioner to the best of his skill and judgment.

Given under my hand this 20th day of December, 1912.

(Signed)

JOHN H. CONRAD,

*Clerk Circuit Court Lewis County, West Virginia.*

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(Report.)

RESERVE GAS COMPANY, a Corporation,

vs.

FRANKLIN MCKINLEY and Others.

Upon Proceeding to Take an Easement In, Over, and Through Land  
for Public Use.

Report of Commissioners.

To the Honorable Charles W. Lynch, Judge of the Circuit Court  
of the County of Lewis, State of West Virginia:

We, the undersigned Commissioners, appointed by the Circuit Court of Lewis County, West Virginia, by an order made on the 29th day of November, in the year 1912, on the application of the Reserve Gas Company, a corporation, respectfully report, that, having been first duly sworn, we viewed the real estate owned by Franklin McKinley and others, as fully mentioned and described in the petition and application of the Reserve Gas Company, filed in the above styled proceeding, on the 26th day of November, 1912, and are of opinion that One Hundred and Thirty-three and 40/100 (\$133.40) Dollars will be a just compensation for so much of the said real estate as is proposed to be taken by the said applicant; that is to say: The right of way or easement to lay, construct, maintain, operate and remove, in and through that certain parcel or strip of land hereinafter described, situate in Lewis County, West Virginia, along the center line hereinafter set out, on the survey over said land, a line of wrought iron or steel pipe, six inches in diameter, of the applicant for transporting natural gas for public use, the said parcel of land being bounded and described as follows, to wit:

A strip of land situated in Freeman's Creek District, Lewis County, West Virginia, twenty-feet in width, being in line ten feet on each side of a center line, which said center line begins at a point 583 in the line between the lands of Franklin McKinley and R. H. Hall, said point standing N. 10 E. 709 feet from a fence post, corner of R. H. Hall and George McKinley heirs thence extending across the lands of Franklin McKinley, South 74 30' E. 230 feet to a stake; thence South 66 30' East 871 feet to a point on the boundary line between the lands of said Franklin McKinley and Sim Hall, which point stands on said boundary line S. 8 E. 172 feet from a fence post and common corner between lands of Franklin McKinley and Sim Hall; which said piece, parcel or strip of land is fully described in the petition filed by the Reserve Gas Company in the Circuit Court of Lewis County, West Virginia as aforesaid, and on the plat filed therewith, which plat is marked "Plat," for identification, as well as for damages to the residue of the said real estate beyond the peculiar benefits which will be derived

in respect to such residue from the work to be constructed or from the purpose to which the part to be taken by the said applicant is to be appropriated.

Given under our hands, this 20th day of December, 1912.

(Signed)

F. L. TAYLOR,  
J. E. SWISHER,  
W. C. HAROLD,  
T. J. LOUGH,  
*Commissioners.*

Costs and Expenses:

Frank L. Taylor, 2 days, 14 miles.....	\$5.40
J. E. Swisher, 2 days, 15 miles.....	\$5.50
W. C. Harold, 2 days, 37 miles.....	\$7.70
T. J. Lough, 2 days, 13 miles.....	\$5.30
	<hr/>
	\$23.90

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(*Exception.*)

The defendant, Franklin McKinley, excepts to the within report of Commissioners upon the ground the amount ascertained by them and therein reported as compensation and damages to exceptor and defendant is entirely too small and insufficient.

And the said Franklin McKinley demands that the question of the said compensation be ascertained by a jury of twelve freeholders to be selected and empaneled in the manner provided by law.

(Signed)

FRANKLIN MCKINLEY,  
By THOMAS I. CUMMINGS,  
W. J. SMITH,  
*His Attorneys."*

And thereupon the said applicant, Reserve Gas Company, paid into court to the Clerk thereof, the said sum of \$133.40, that being the sum ascertained by said commissioners as compensation and damages to the persons entitled thereto (being the defendants, or such of them as may be entitled to the same) for the land proposed to be taken in and by the petition and application of said Reserve Gas Company, &c.

And the said applicant, Reserve Gas Company, having so as aforesaid paid into court the said compensation and damages so ascertained by said commissioners, it is further considered and ordered that the said Reserve Gas Company, notwithstanding the pendency of further proceedings, enter upon, take and use for the purposes specified in its said application and petition that part of the land in respect to which such payment is made, and generally that the said applicant shall have all such rights, privileges and franchises as in the said application and petition are asked and as are conferred upon it by Section 20 of Chapter 42 of the Code of West Virginia as amended.

And the said Franklin McKinley having filed exceptions to said report of said commissioners, and demanded that the question  
 585 of compensation to be paid by the applicant be ascertained by a jury, it is further ordered that the question of the compensation to be paid by said Reserve Gas Company for said land proposed to be taken by it in and by this proceeding and its application herein, be ascertained by a jury of twelve freeholders, who shall be selected and empaneled for the purpose in the manner provided by law.

It is further ordered that the Clerk of this court do take charge of and hold the said sum of \$133.40 subject to the further order of the court.

586 STATE OF WEST VIRGINIA,  
*County of Lewis, To wit:*

I, Geo. Woofter, Clerk of the Circuit Court of Lewis County, State of West Virginia, do certify that the foregoing are true, correct and complete copies of the petition and exhibits therewith filed on November 26, 1912, and of the orders made and entered on November 29, 1912, and December 23, 1912, in the condemnation proceeding of Reserve Gas Company, a corporation, versus Franklin McKinley and others, lately pending in said Circuit Court, as the same remain of record in my said office.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31st day of January, 1921.

[Seal of the Circuit Court, Lewis County, West Virginia.]

GEO. WOOFTER,  
*Clerk.*

STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, Haymond Maxwell, Judge of the Circuit Court of Lewis County, State of West Virginia, do certify that George Woofter, by whom the foregoing attestation was made, was, at the date thereof, clerk of said Court duly qualified, and that said attestation is in due form of law and made by the proper officer.

Witness my hand and seal on this the 31st day of January, 1921

HAYMOND MAXWELL. [SEAL.]

587 STATE OF WEST VIRGINIA,  
*County of Lewis, To wit:*

I, Geo. Woofter, Clerk of the Circuit Court of Lewis County, State of West Virginia, do certify that the Honorable Haymond Maxwell, by whom the above certificate was given, and whose name is thereto subscribed in his own proper handwriting, was, at the date

thereof, Judge of the said Circuit Court of Lewis County, duly commissioned and sworn and acting.

In witness whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31st day of January, 1921.

[Seal of the Circuit Court, Lewis County, West Virginia.]

GEO. WOOFER,  
*Clerk.*

[Endorsed:] Fee \$1.00 paid by Steploe & Johnson.

HOPE V. RHODES COND. W. VA. EX. 46.

EX. W. VA. NO. 46. O. L. H.

HOPE NATURAL GAS COMPANY

v.

ARTHUR W. RHODES, et al.

Condemnation.

*Petition for Condemnation of Right of Way for Pipe Line for Transportation of Natural Gas.*

Filed in the Circuit Court of Harrison County December 29, 1909.

To the Honorable Charles W. Lynch, Judge of the Circuit Court of Harrison County, West Virginia:

Your petitioner, Hope Natural Gas Company, a corporation created, organized and existing under and pursuant to the laws of the State of West Virginia, respectfully represents unto your Honor that it is such corporation created, organized and existing under the laws of said State; that it obtained its original certificate of incorporation or charter from the Secretary of State of said State on the 17th day of September, 1898, by which the corporators are declared to be from the said date until the 1st day of August, 1948, a corporation by the name of Hope Natural Gas Company.

That for the purpose of enlarging and modifying its powers rights and privileges, and with a view of investing itself with additional powers, rights and privileges, a resolution was adopted by the stockholders of your petitioner in stockholders' meeting assembled on the 21st day of January, 1904, providing that the objects and purposes for which said corporation was incorporated be enlarged and modified in accordance with and by virtue of the authority of Section 10 of Chapter 54 of the Code of West Virginia, so that said objects and purposes should be those set forth in a new agreement

(which was then adopted), and which new agreement is by said resolution adopted in lieu and instead of the one under which said corporation was theretofore organized.

That the said new agreement so adopted by said resolution in lieu and instead of the one under which petitioner corporation was organized, was duly executed and acknowledged by the stockholders signing the same, and the said resolution and new agreement duly acknowledged, and accompanied by the proper certificates and affidavits, were delivered to and filed with the Secretary of State of said State of West Virginia in his office on the 1st day of February, 1904; and thereupon the said Secretary of State, on the said resolution and new agreement, and certificates and affidavits accompanying the same, issued to the stockholders named in said new agreement, and all the other stockholders of said corporation, and their successors and assigns, an amended or modified charter or certificate of incorporation of this petitioner, thereby declaring the stockholders named in said new agreement and all the other stockholders of said corporation and their successors and assigns to be, from the date thereof (February 1st, 1904), until the 1st day of August, 1948, a corporation by the name and for the purposes and objects set forth in the said new agreement; and further thereby declaring that the said corporation shall henceforth be subject to such new agreement as set forth in said certificate in lieu of its original certificate of incorporation.

591 Your petitioner if required will file as part of this petition duly certified copies of the said original charter or certificate of incorporation and the said new or amended and modified charter or certificate of incorporation, marked and designated "Exhibit No. 1;" and prays that the same if, and when, filed may be taken, read and considered as part hereof, and your petitioner invites the attention of the Court especially to the said resolution and new agreement and the said new or amended and modified charter or certificate of incorporation.

That as shown by said resolution and new agreement and the said new or amended and modified charter or certificate of incorporation, petitioner is thereby continued as such corporation by the name of Hope Natural Gas Company; and that petitioner is incorporated for the objects and purposes following:

For drilling, boring, mining and operating for the production of natural gas; the producing, dealing in, buying and selling, acquiring, storing, transporting by pipes and otherwise natural gas for its own use and for the selling and supplying of natural gas for industrial, commercial, domestic and other public and private uses for heat, light, fuel and power to persons, firms, partnerships, corporations and other consumers and purchasers for use in cities, towns, villages, districts and other municipalities and places in the State of West Virginia, as well as elsewhere, where the said natural gas may be discovered, purchased, stored or transported by the said Hope Natural Gas Company; for the erecting, laying, maintaining, operating, repairing and removing derricks, pipes, lines of pipes, connections and regulators, pump stations, buildings, shops, structures, tanks, pumps,

compressors, gasometers, valves, gates, telegraph and telephone poles and lines, and all other structures and appliances, including street mains, pipes and conduits necessary, incident and convenient to the production, storage, piping and transporting and conveyance of natural gas and petroleum oil; for the production, saving, storing, dealing in and selling petroleum oil and such other volatile substances as may be found in the drilling and mining for the production of natural gas. Also for the purchasing, leasing, acquiring, holding, owning, granting and conveying all such lands and leaseholds for oil and gas purposes and such other real and personal property, including right-of-way, as may be necessary and convenient for the purpose of producing, transporting, selling and supplying natural gas and petroleum oil, and for the full and complete exercise and enjoyment of each and all of the powers and purposes hereinbefore as well as hereinafter set forth, and with the right and power, from time to time, to sell, lease, surrender and dispose of any or all of such real and personal property. Also to have, exercise and enjoy the right of eminent domain, and in the exercise of such right to take, condemn, use and enjoy such lands, rights-of-way, easements and property as shall be necessary to enable it to lay and construct its mains, pipes and conduits, pump stations, telegraph and telephone lines and other structures and appliances necessary and required for the transportation of natural gas; and also to have the right and power to subscribe for and purchase and acquire the stocks, bonds and securities of other companies, and to have the right and power to do all other acts, and to have and possess all other powers and privileges necessary for the carrying out of the objects and purposes of this corporation, as above set forth.

Petitioner further shows and represents that since the granting to it of the said new or amended and modified certificate of incorporation, it has been operating under the same and exercising the powers, rights and privileges thereby conferred upon it and with which it is thereby invested.

That since the granting of said new or amended and modified charter or certificate of incorporation, as well as for several years before, petitioner has been, and is, engaged in the business of selling and supplying natural gas for industrial, commercial, domestic and other public and private uses for heat, light, fuel and power to persons, firms, partnerships, corporations and other consumers and purchasers for use in incorporated cities, towns, villages, districts and other municipalities and places in the State of West Virginia, and has been and is supplying natural gas to the public for fuel, illuminating and other purposes, and has been, and is still, at great expense and cost to it, erecting, laying, maintaining and operating pipes and lines of pipe, etc., for transporting natural gas with which to supply the public and said other purchasers and consumers with natural gas for fuel, illuminating, heat, power and other purposes; and that it has been and is transporting natural gas to be supplied to the public and said other purchasers and consumers for fuel, heat, illuminating, power and other purposes by and through its said pipes and pipe lines.



That petitioner in the exercise of its rights, powers and privileges, and in the conduct of its business, has been and is supplying natural gas for public use for the purpose of heating and illumination to the following named incorporated cities and towns in the State of West Virginia, and to the inhabitants thereof, that is to say: The City of Mannington, in Marion county, West Virginia; the incorporated towns of Smithfield, Pine Grove, Wileyville, Hundred and Littleton, in the county of Wetzel, in the State of West Virginia; the incorporated town of Fairview, in Marion County, West Virginia, and the incorporated town of West Milford, in Harrison county, West Virginia. That petitioner supplies the greater number of said incorporated cities and towns with natural gas for street lights and other heating and illuminating purposes and public uses.

594 That in addition to the above enumerated incorporated cities and towns, petitioner supplies natural gas for heating, illuminating, power, fuel and other purposes to the citizens of a large number of unincorporated towns and villages in the State of West Virginia, and to persons residing in and inhabiting such unincorporated towns and villages; that among the latter are the villages and towns of Wallace, in Harrison county; Folsom, in Wetzel county; Metz and Glover's Gap, in Marion county; Wadestown, in Monongalia county.

That in addition to the incorporated cities and towns, and the inhabitants thereof, and the unincorporated towns and the inhabitants thereof, aforesaid, to which petitioner supplies natural gas for the purposes aforesaid, it also supplies natural gas for such purposes to various school houses and school sub-districts in the counties of Harrison, Wetzel, Monongalia and Marion, in the State of West Virginia; and to a large number of contractors and persons, firms and corporations drilling oil, gas and other wells in said counties (or a part of them), and to a large number of other persons, firms and corporations for use in pumping wells, operating water stations, oil pumping stations, manufacturing plants, etc.

That natural gas so supplied by petitioner to incorporated cities and towns and the inhabitants thereof for heating and illuminating purposes, as well as to school sub-districts and houses, individuals, water stations, oil pumping stations and other consumers is so supplied under contracts; and that where the same is supplied for heating and illuminating purposes to incorporated cities and towns, it is so done under contract with such cities and towns, and where the same is supplied to school houses, it is so supplied under contract with the proper school officers. That petitioner has existing valid contracts extending into the future, for supplying natural gas to said towns, inhabitants and consumers.

595 That petitioner in supplying natural gas to the said incorporated cities and towns, and their inhabitants, for the purpose of heating, illumination, etc., has been and is occupying the streets and alleys of such incorporated cities and towns for the purpose by means of the location therein of its pipes, connections, boxes, valves and other fixtures, under (in most instances) an ordinance of the said city or town. That in the City of Mannington and the

towns of Littleton, Fairview, Wileyville and West Milford aforesaid, in particular, petitioner has ordinances authorizing it to locate, lay and maintain in the streets and alleys thereof pipes, connections, boxes, valves and other fixtures for the purpose of supplying natural gas to the city and town and their inhabitants.

That in the said incorporated towns of Hundred and Fairview, petitioner has the due and legal authority of each of said towns to supply natural gas thereto, and to the inhabitants thereof, by means of occupying the streets and alleys with its pipes, connections, etc., for the purpose; and it repeats that it supplies the said towns and other towns under contract with natural gas for heating and illuminating purposes.

That the above named towns of Smithfield and Pine Grove have each been incorporated since the pipes, connections, boxes, valves and other fixtures of petitioner were laid in the streets and roads which now comprise the streets and alleys of said towns; and that petitioner both before and since the incorporation of such towns, has been and is occupying and using the said streets and alleys with its said pipes, connections, etc. That petitioner is advised that having the right to so occupy said streets and roads before the incorporation of said towns, that it still has the right and authority so to do, notwithstanding the incorporation thereof, and without obtaining specific ordinances from the said municipalities authorizing it to continue to occupy and use said streets and alleys. However, it avers that it has the consent and approval of the municipal authorities in so doing.

That petitioner, as is its bounden duty, furnishes, and is ready and willing to furnish, at uniform and reasonable rates, natural gas for heating, illuminating, fuel, power and other purposes to every inhabitant of the several incorporated cities and towns above named who applies therefor, and complies with the regulations prescribed by the ordinances of such of said cities and towns as have fixed ordinances authorizing the same, and who complies with the regulations fixed by the council of such of said towns as have not a specific ordinance, and also furnishes and is willing to furnish all other consumers therewith, at uniform and reasonable rates.

That petitioner is the owner of the ordinances and franchises above specified granted and enacted by the council of the said City of Mannington and of the said town of Littleton, and of the franchises, rights, privileges and ordinances granted, allowed and permitted in regard to the supplying and using of natural gas by the said other incorporated towns aforesaid.

That the said franchises and ordinances of said City of Mannington and said town of Littleton, as well as the franchises, rights and privileges granted to and allowed and permitted to be used and exercised by petitioner in said other incorporated towns by the council thereof, are still in full force and effect, and have never been revoked, annulled, forfeited to or declared void by any of the said councils. That said Mannington and Littleton franchises were made and granted to Flaggy Meadow Gas Co., and have passed by deed and assignment to petitioner. If required a certified copy of said Man-

nington franchise and a true copy of said Littleton franchise will be filed as parts hereof, marked "Exhibits Nos. 2 and 3."

597 That it became necessary for petitioner, in order to supply natural gas to the said several incorporated cities and towns, and their inhabitants, as well as the several other towns, individuals, **firms, corporations, co-partnerships, etc.**, for heating, fuel, illuminating, power and other purposes, and to keep up the required and necessary supply of such gas, that it discover and produce an additional supply of natural gas; that to discover and produce the same, it became necessary for petitioner to drill, at large cost and expense, new wells for the purpose in the county of Harrison and several other counties in the state of West Virginia, and to acquire other wells in said counties; and that petitioner has drilled several new wells in said several counties and has discovered and found a large supply of natural gas in the said wells, and has acquired sundry other wells producing natural gas. That from said wells so drilled by it, as well as from said wells so acquired by it, petitioner produces natural gas with which to supply the said incorporated cities and towns and the said inhabitants thereof, aforesaid, as well as said other purchasers and consumers. And that in order to supply said incorporated cities and towns and the inhabitants thereof, as well as other consumers and prospective consumers in Harrison county, and elsewhere, with such natural gas produced from said last mentioned wells, for heating, illuminating and other purposes it is necessary that petitioner lay, construct and maintain an additional line of pipe from some of the wells in said several counties, through a portion of said Harrison county and portions of other counties in the state of West Virginia, so as to reach the above mentioned incorporated cities and towns, and the inhabitants thereof, as well as said other consumers in Harrison county and elsewhere, with said pipe line for the purpose of transporting such natural gas; and it is also necessary that petitioner transport such natural gas through said pipe line and supply the same for said purposes to said incorporated cities and towns, and the inhabitants thereof, and said other consumers in said Harrison county and elsewhere.

598 Petitioner avers that it has valid subsisting contracts with inhabitants in said Harrison and said other counties, which contracts require petitioner to supply said last named inhabitants with natural gas, and that in order to enable petitioner to perform the obligations of said contracts and to furnish gas to said inhabitants and other prospective consumers, it is necessary that petitioner lay and construct its pipe line along the route and over, in and through the piece, parcel or strip of land hereinafter particularly described.

That petitioner has surveyed a route for laying and constructing said pipe line from its gas wells through a portion of said county of Harrison as well as portions of others of said counties in the state of West Virginia, and proposes to, and it is necessary for it to, lay and construct for the greater part of the distance along said route an eighteen inch, and for the residue of said distance a twelve inch, line of wrought iron or steel pipe for transporting natural gas for

public use along the route so surveyed and marked out for that purpose; and petitioner has procured rights-of-way or easements for the laying, constructing and maintenance of such pipe line over and through several of the tracts of land through which the same passes on the line or route so surveyed; and that petitioner has begun, and is now engaged in, the actual laying and construction of the said pipe line on the route so selected and surveyed for that purpose through a portion of said Harrison county and portions of other said counties in the state of West Virginia; that among the lands over and through which the said route for said pipe line has been selected, and over and through which it was and is necessary that said pipe line be laid, constructed and maintained, are two tracts of land containing about 226 acres and about 99¼ acres, respectively, lying adjoining, and situated in said Harrison county, said state of West Virginia, adjoining lands of James S. Law and others, which said tracts of land are owned in fee simple by Arthur W. Rhodes, subject to the rights hereinafter set out of Albert L. Green and J. A. Hardaway, with the exception of a certain lease and leasehold rights and estates for oil and gas purposes, which is owned by South Penn Oil Company and Hope Natural Gas Company, your petitioner.

That it is necessary for petitioner to, and it proposes to construct, lay, maintain and operate its said pipe line in said county of Harrison over and through the said last named tracts of land of said Arthur W. Rhodes, and over the leasehold rights of said South Penn Oil Company and Hope Natural Gas Company, your petitioner. That the said line over and through the said 99¼ acre tract is to be of the diameter of eighteen inches and over and through said 226 acres is to be of the diameter of twelve inches. That it desires to proceed with the laying and construction of said pipe line over and through the said lands.

That petitioner desires and proposes to take for the purpose of constructing, laying and maintaining its said pipe line, a right-of-way or easement to lay, construct, operate and maintain over and in the certain piece, parcel or strip of said two tracts of land hereinafter described, along the center line hereinafter set out of the survey over said lands, such line of wrought iron or steel pipe for transporting natural gas for public use; which said piece, parcel or strip of said land is bounded and described as follows, to-wit:

A strip of land situated in Union District, Harrison County, West Virginia, 20 feet in width, being in line 10 feet on each side of a center line, which said center line begins at a point in the center of the West Fork River, where said river forms the boundary between the lands of Arthur W. Rhodes and James Q. Musser; thence across a tract of 226 acres owned by said Arthur W. Rhodes, N 37° 57' W 120 feet; thence N 39° 34' W 958 feet to a point on the boundary line between said Rhodes tract of 226 acres and a tract of 99¼ acres lately owned by William E. Tucker and by him sold, (though not conveyed by deed of record), said Arthur W. Rhodes; thence across the said tract of 99¼ acres, N 39° 34' W 265 feet; thence N 19° 51' W 1371 feet to the

boundary line between said tract of  $99\frac{1}{4}$  acres and the land of William J. Law, at a point which is N  $53^{\circ}$  E 36 feet from a white oak corner on said boundary line; the said line of pipe to be twelve inches in diameter where it crosses said tract of 226 acres and eighteen inches in diameter where it crosses said tract of  $99\frac{1}{4}$  acres.

Your petitioner files herewith as part hereof a plat in two sections of said piece, parcel or strip of said two tracts of land through which it proposes to take said right-of-way or easement, which plat is marked "Plat" for identification.

That the said right of way or easement for such line of pipe over and in said piece, parcel or strip of said two tracts of land is proposed to be taken by your petitioner, and is intended by your petitioner to be appropriated for the purpose of constructing, laying, maintaining and operating such pipe line for transporting natural gas for public use, under and by virtue of its new or amended and modified charter or certificate of incorporation, under the laws of said state. That petitioner will appropriate and use said right-of-way or easement for such line of pipe over and in said piece, parcel or strip of land for public use and for the purpose of constructing, laying, maintaining and operating such pipe line for transporting natural gas for public use, and intends to, and will, use said line of pipe for transporting natural gas for public use.

601 That petitioner proposes to and will bury the said line of pipe (where the same is laid and constructed through said strip, piece or parcel of said land) at a depth of at least twelve inches under the surface, and all excavations will be well filled by petitioner and so kept by it. And that the said owner of said land, and others interested, after said line of pipe has been laid and buried, are to, and will, have the full use and enjoyment of the surface of said land for agricultural and other purposes in like manner as before the entry of your petitioner on the same, and are to, will and shall have the full use and enjoyment of said land in all other respects after said line of pipe is laid, the same as before, except as to the space under the surface occupied by said line of pipe, and except as to such temporary use as shall be necessary in maintaining said line of pipe and in taking up and removing the said line of pipe after the abandonment of said line and easement.

That an easement or right-of-way in, over and through said strip of said land is essential and necessary for the use of petitioner in the construction and maintenance of its pipe line, and it cannot construct and maintain such line without said easement or right-of-way.

That the use and purpose to which petitioner intends and proposes to, and will, put and appropriate said easement or right-of-way is a public use and purpose.

That the said above named Arthur W. Rhodes is the owner of said two tracts of land, subject to the rights of said Albert L. Green and J. A. Hardaway hereinafter set out.

That when the notice hereinafter set out was given, the legal title to said  $99\frac{1}{4}$  acre tract had not been conveyed by William E. Hacker to said Arthur W. Rhodes, but since the giving of said notice

proper deed of conveyance for said land has been made and delivered by said Hacker to said Rhodes.

2 That (as above stated) the nature of the interests of said owner is fee simple title to said lands.

And your petitioner further avers and shows that South Penn Oil Company and Hope Natural Gas Company, your petitioner, own and hold a lease for oil and gas purposes upon each of the said tracts of land, containing 226 acres and 99 $\frac{1}{4}$  acres, respectively, which said leases are, as petitioner is advised, in full force and effect. That the same are made upon the usual terms of oil and gas leases in that neighborhood, and each grants to the lessee the rights and privileges for operating developing and producing the oil and gas in the land. If insisted upon, your petitioner will file parts of this petition certified copies of said oil and gas leases.

That petitioner does find upon the records of said county the following liens and charges upon and against the said lands of Arthur W. Rhodes, that is to say:

1. Under the will of Thomas A. Horner certain provisions are made in favor of Emma A. Horner and Mary V. Horner (now Mary V. Rhodes) whereby should they at the death of their mother not be married they, or either of them, that may be single, is to have the farm as a home and support for either one or both of them as long as they may remain unmarried, which said provision petitioner is advised was meant to and did and does apply to the said 226 acres of land. Petitioner has named the said Emma A. Horner and the said Mary V. Rhodes in its notice hereinafter referred to and made them parties hereto, because of said provision, and if it is or becomes necessary in this proceeding to determine whether or not the marriage of said Mary V. Horner terminates her rights under said provision of said will, then petitioner submits the said question to the determination of this Honorable Court.

2. There exists in favor of Nathan Goff a vendor's lien for \$650.00 with interest from July 12th, 1883, reserved in a deed made by said Goff to Philip H. Hilkey for said 99 $\frac{1}{4}$  acres, bearing date July 12th, 1883, and recorded in the Clerk's office of the County Court of Harrison County in Deed Book No. 67, page 193.

3. There exists in favor of Phillip H. Hilkey, now deceased, and whose administrator is M. J. Francis, Sheriff of Harrison County and as such administrator of the personal estate of said Hilkey, a vendor's lien in the sum of \$875.00, with interest thereon from the 14th day of December, 1885, reserved in a deed of conveyance of said 99 $\frac{1}{4}$  acres executed by said Phillip H. Hilkey and wife to W. S. Horner, bearing date December 14th, 1885, and recorded in the same office in Deed Book No. —, page 152.

In this connection petitioner further shows and avers that at the time it gave the notice hereinafter referred to W. S. Horner, who is named in said notice, appeared to have a vendor's lien upon the said 99 $\frac{1}{4}$  acres of land in the sum of \$2,200.00, but petitioner avers



that the said Horner has released the same since the giving of the said notice; that the money secured by said lien has been fully paid to said Horner and he has released the same, and has no interest in the said land or this proceeding, and is not a necessary or proper party to the same. Petitioner will, if required, file as a part hereof a duly certified copy of the said release of said lien so executed by the said W. S. Horner.

Petitioner further shows and avers that William E. Hacker named in the said notice, now has no interest in either of the said two tracts of land, and is not a necessary party hereto, the said Hacker having as above stated conveyed the said  $99\frac{1}{4}$  acres of land in fee simple to the said Arthur W. Rhodes

604 since the giving of said notice.

That J. A. Hardaway, named in said notice, owned the said  $99\frac{1}{4}$  acres of land at one time, and that he conveyed the same to William E. Hacker by deed bearing date the 19th day of April, 1901, and of record in said Clerk's office in Deed Book No. 123, page 173, and that in and by said deed the said J. A. Hardaway reserved from the property conveyed unto himself the  $\frac{1}{2}$  of the royalty on the oil and  $\frac{1}{2}$  of the rental on each gas well,—reciting in the said deed that the said tract of land is (at the date of said deed) under lease to the South Penn Oil Company.

That while the said William E. Hacker owned the said  $99\frac{1}{4}$  acres of land, to wit, on the 28th day of September, 1903, he and his wife executed to Albert L. Green (named in said notice), a paper writing which was on 4th day of November, 1904, recorded in the Clerk's office of the County Court of Harrison County in Deed Book No. 145, page 218, whereby they released to said Green for building and til-ing purposes only, a lot of land (being a part of said  $99\frac{1}{4}$  acres), bounded as follows: On the east by West Fork River; on the south by lands of Arthur Rhodes; on the north and west by county road. To have and to hold from the date of said writing so long as said Green is an employe at the water station near said lot on Arthur Rhodes' land. And petitioner has made the said Albert L. Green a party to said notice and this proceeding because of his interest and rights under the said paper in and to the said lot or parcel of said  $99\frac{1}{4}$  acres of land.

That James M. Riffie, named in the said notice is, as petitioner is informed and believes, and on such information and belief avers, a tenant of the surface of a portion of said 226 acres of land, in possession thereof as such tenant.

605 Petitioner further avers and shows that the said vendor's

liens of said Nathan Goff and Phillip Hilkey have long since been paid off and discharged as this petitioner is informed and believes, and that the same, and each of them, should be released.

That petitioner does not find upon the records of said Harrison County any other liens or charges upon or against said tracts of land, or either of them, of the said Arthur W. Rhodes, or upon or against any interest therein, other than those hereinabove set out; and does not find upon said records any other claims to said lands, or either tract thereof, or to any interest in either tract thereof, or to



any part of either tract thereof, or any conflicting claims to either of said tracts, or to any interest in or part of either of said tracts, than those hereinbefore in this petition set forth and shown.

That said Emma A. Horner, Mary V. Rhodes, Nathan Goff, M. J. Francis, James M. Riffie, J. A. Hardaway and Albert L. Green each and all reside in said Harrison County, West Virginia.

That what is hereinbefore said in respect to the nature of the respective interests of the owners of said land, is all the information possessed by petitioner, or ascertainable by it touching the same; and the same is correct so far as known to your petitioner.

Petitioner further shows and represents that it has attempted to, but is unable to, agree with the owners of said land, and the owner of said oil and gas lease upon the said land, an easement or right-of-way through which is so proposed to be taken by petitioner for the said public use and purposes as aforesaid, as to the amount of compensation for said easement or right-of-way in and through said parcel or strip of said land so proposed to be taken. That said owners will not agree to a fair price for said easement or right-of-way in, over and through said strip or parcel of said land so proposed to be taken; and also refuse to give your petitioner a right-of-way or easement over, in or through said land.

That the survey, location and route of petitioner's said pipe line aforesaid, so located and surveyed through the said county of Harrison, as well as through the said two tracts of land aforesaid in such county, and the aforesaid strip, piece or parcel of such land, has been regularly and duly authorized, selected, located, approved and adopted by the proper officers of petitioner and by its Board of Directors.

Petitioner further represents and avers that it has caused notice to be given to said owners and lienors and other claimants aforesaid of its intention to file this petition and make this application, as will more fully appear from said notice itself, and the evidence of the service of the same endorsed thereon, herewith filed marked "Notice," and here made part of this petition.

That in taking the said easement or right-of-way aforesaid, so proposed to be taken by petitioner, it will not be necessary to take any dwelling house, yard or garden, nor will any such be taken therein or thereby; and in taking the said easement or right-of-way, and appropriating and putting the same to the public use and purpose to which petitioner proposes to and will appropriate and put the same and in which it will use the same, it is not, and will not be, necessary to erect or lay any oil tank or gas or oil pipe line within one hundred feet of any occupied dwelling house, nor shall any oil tank, gas or oil pipe line be erected or laid within one hundred feet of any occupied dwelling house.

That said tracts of land aforesaid do not lie within any municipal corporation.

That petitioner has the right to acquire and take said right-of-way or easement in and by this petition and application under the law.

Petitioner therefore prays that commissioners may be appointed by

this Court to ascertain a just compensation to the persons entitled thereto for the said easement or right-of-way over, in and through the land hereinbefore described, proposed to be taken by your petitioner for the purpose and use aforesaid; that such proceedings may be had in the premises as conform to law; and that upon the payment of the compensation by your petitioner the said above described easement or right-of-way in, over and through said land may be vested in your petitioner. And your petitioner also asks such other and general relief as the Court may deem proper to award in the premises.

(Signed)

HOPE NATURAL GAS COMPANY,  
By A. B. FLEMING,  
CHARLES POWELL,  
KEMBLE WHITE,

*Its Attorneys.*

(Here follow diagrams marked pages 608 and 609.)

111

Wm. Hacker  
now

Sam'l G. Hall

Arthur W. Rhodes

226 A.

Jas. Q. Musser

SURVEY OF PROPOSED 12 INCH GAS LINE FOR

HOPE NATURAL GAS CO.

across the lands of

ARTHUR W. RHODES

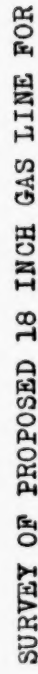
Union Dist. Harrison Co., West Va.

Surveyed Nov. 10, 1909, J. P. McClintock Engr.

Scale 1" = 200'

Exhibit - "Plal", filed with the Petition

Wm. Hacker  
now  
Arthur W. Rhodes  
99 $\frac{1}{4}$  A.



## Across the lands of

Union Dist. Harrison Co., W. Va.

Scale 1" = 200'

609



(EXHIBIT "NOTICE" FILED WITH THE FOREGOING PETITION.)

to Arthur W. Rhodes, Mary V. Rhodes, Emma A. Horner, James M. Riffes, William E. Hacker, J. A. Hardaway, Albert L. Green, Nathan Goff, W. S. Horner, M. J. Francis, sheriff and as such administrator of the personal estate of Philip Hilkey, deceased, and South Penn Oil Company, a corporation:

You will please take notice that on the twenty-ninth day of December, 1909, at 9:00 o'clock A. M. or as soon thereafter on said day as counsel may be heard, an application by petition will be made by the undersigned to the Circuit Court of Harrison County, West Virginia, at the Court House of said County, for the appointment by said court of commissioners to ascertain a just compensation to the persons entitled thereto for a right of way or easement to lay, construct, operate and maintain, across, in and through that certain parcel or strip of land hereinafter described, situate in said Harrison County, of which some of you are the owners in fee simple, and upon which others of you have liens, and two of you are tenants, and in part of which one of you owns an interest in the oil and gas, and upon all of which you, South Penn Oil Company, own all the interest not owned by the undersigned in certain leasehold estates for oil and gas purposes, along a center line hereinafter set out of the survey over said land, a line of wrought iron or steel pipe, twelve inches in diameter for the first 1,078 feet of said line as hereinafter described and eighteen inches in diameter for the remaining length, for transporting natural gas for public use, to be buried at a depth of at least twelve inches under the surface; and for such orders and proceedings to be then and there entered and had as may be necessary to condemn the said right of way or easement for such public use and purpose; the said parcel of land being bounded and described as follows, to-wit:

A strip of land situate in Union District, Harrison County, West Virginia, 20 feet in width, being in line 10 feet on each side of a center line, which said center line begins at a point in the center of the West Fork River, where said river forms the boundary line between the lands of Arthur W. Rhodes and James Q. Musser; thence across a tract of 226 acres owned by said Arthur W. Rhodes, N. 77° 57' W. 120 feet; thence N. 39° 34' W. 958 feet to a point on the boundary line between said Rhodes tract of 226 acres and a tract of 99¼ acres lately owned by William E. Hacker and by him sold, (though not conveyed by deed of record), to said Arthur W. Rhodes; thence across the said tract of 99¼ N. 39° 34' W. 265 feet; thence N. 19° 51' W. 1,371 feet to the boundary line between said tract of 99¼ acres and the land of William J. Law, at a point which is N. 53° E. 36 feet from a white oak corner on said boundary line; the said line of pipe to be twelve inches in diameter where it crosses said tract of 226 acres, and eighteen inches in diameter where it crosses said tract of 99¼ acres.

A plat of the survey of said land and proposed line marked "Plat" will be filed with the application in writing by petition as aforesaid.

The said right of way or easement for such line of pipe across through, in and over said parcel or strip of land is proposed to be taken by the undersigned, Hope Natural Gas Company, a corporation, duly created and acting under and by virtue of the laws of the State of West Virginia, and is intended by said Company to be appropriated for the purpose of constructing, operating and maintaining such pipe line for transporting natural gas for public use, under and by virtue of its charters under the laws of said State.

You, owners of said land, and others interested therein, after said line or pipe has been laid and buried, to have the full use and enjoyment, according to your respective interests, of the surface of said parcel or strip of land for agricultural and other purposes in like manner as before the entry of the undersigned, and to have the full use and enjoyment of said land in all other respects after said line of pipe is laid, the same as before, except as to the space under the surface occupied by said line of pipe, and except as to such temporary use as shall be necessary in maintaining said line of pipe, and in taking up and removing said line of pipe after the abandonment of said easement.

Dated this 16th day of December, 1909.

HOPE NATURAL GAS COMPANY,  
By A. B. FLEMING,  
CHARLES POWELL,  
KEMBLE WHITE,  
*Counsel.*

612 On the 16th day of December, 1909, in Harrison County, West Virginia, I served the within notice on the within named M. J. Francis, Sheriff, and as such administrator of the personal estate of Philip Hilkey, deceased, by delivering to him in person a true copy hereof; and

On the 16th day of December, 1909, in Harrison County, West Virginia, I served the within notice on the within named Nathan Goff by posting and leaving posted a true copy hereof at the front door of the usual place of abode of the said Nathan Goff, he not being found nor any member of his family above the age of sixteen years being found at his usual place of abode, and the said Nathan Goff not being found; and

On the 17th day of December, 1909, in Harrison County, West Virginia, I served the within notice on the within named Mary V. Rhodes by delivering to her in person a true copy hereof; and

On the 17th day of December, 1909, in Harrison County, West Virginia, I served the within notice on the within named Arthur W. Rhodes by delivering a true copy hereof to Mary V. Rhodes, his wife, a member of his family above the age of sixteen years, giving to her information of the purport thereof, he the said Arthur W. Rhodes not being found at his usual place of abode;

On the 17th day of December, 1909, in Harrison County, West



Virginia, I served the within notice on the within named Emma A. Hornor by delivering a true copy hereof to Mary V. Rhodes, her sister, and a member of her family above the age of sixteen years, giving to the said Mary V. Rhodes information of the purport thereof, she the said Emma A. Hornor not being found; and

On the 17th day of December, 1909, in Harrison County, West Virginia, I served the within notice on the within named James

M. Riffie by delivering a true copy thereof to his wife, a member of his family above the age of sixteen years, giving to her information of the purport thereof, he the said James M. Riffie not being found at his usual place of abode; and

On the 17th day of December, 1909, I served the within notice on the within named William E. Hacker in Harrison County, West Virginia, by delivering a true copy hereof to Jennie Hacker, his wife, a member of his family above the age of sixteen years, giving to her information of the purport thereof, he the said William E. Hacker not being found at his usual place of abode; and

On the 18th day of December, 1909, in Harrison County, West Virginia, I served the within notice on the within named J. A. Hardway by delivering to him in person a true copy hereof.

(Signed)

J. L. McMILLAN,  
*D. S., for M. J. Francis, S. H. C.*

The within named W. S. Hornor is not found.

J. L. McMILLAN.

Service of the within notice accepted for South Penn Oil Company, December 16, 1909.

(Signed)

C. POWELL,  
*Atty.*

On this 18th day of December, 1909, in Harrison County W. Va., I served the within notice on the within named Albert L. Green at his usual place of abode by delivering to Undine Green a true copy hereof and giving to her information of the purport thereof she being a member of his, the said Albert L. Green's family, and over the age of sixteen years, the said Albert L. Green not being found.

(Signed)

J. C. ROBINSON,  
*Deputy Sheriff, for M. J. Francis,  
Sheriff Harrison County, West Virginia.*

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HOPE NATURAL GAS COMPANY, a Corporation,

vs.

ARTHUR W. RHODES, MARY V. RHODES, EMMA A. HORNER, JAMES M. RIFFEE, WILLIAM E. HACKER, J. A. HARDAWAY, ALBERT L. GREEN, NATHAN GOFF, M. J. FRANCIS, Sheriff and Administrator, and South Penn Oil Company, Defendants.

Upon Proceeding to Take Right of Way or Easement In, Over, and Through Land for Public Use.

This day came Hope Natural Gas Company, a corporation, by A. B. Fleming, Chas. Powell and Kemble White, its attorneys, and presented to the court a notice given by it to the above named defendants, notifying them that on this day it would make an application by petition to this Court for the appointment of Commissioners to ascertain a just compensation to the persons entitled thereto, for a right of way or easement to lay, construct, operate and maintain in and through the certain piece, parcel or strip of land therein described a pipe line therein described for transporting natural gas for public use, and for such orders and proceedings to be had as may be necessary to condemn the said right of way or easement for such public use and purpose. And it appearing to the court that the said notice was duly served according to law upon the said persons above named and service thereof duly accepted by and on behalf of South Penn Oil Company, more than ten days prior to this date as appears from the returns of service of said notice endorsed thereon, and that they have each had more than ten days' notice of said application by petition, it is ordered that the said notice be and the same is hereby filed and docketed.

615 And the said Hope Natural Gas Company, a corporation, in pursuance of said notice, this day presented its application in writing by petition describing the said lands, a right of way or easement in, over and through which for laying, constructing, operating and maintaining said pipe line it proposes to take, with the *plant* of said lands and certain exhibits therewith, and stating in said application the names of the owners thereof, and the nature of the interests of said parties therein, and also stating the purposes for which said easement or right of way is proposed to be taken, and that said corporation has been unable to agree with the owners as to the compensation to be paid therefor. Thereupon, upon motion of the said Hope Natural Gas Company, it is ordered that said application in writing, by petition, and the said plat and exhibits therewith, be and the same are here now filed; and it is further decreed that this proceeding be and the same is here now docketed.

616 And thereupon came the defendant, Arthur W. Rhodes and Mary V. Rhodes, by John Bassel, their attorney. And the court doth find that the use for which the land or easement, or right of way sought to be appropriated by the applicant in this case

is to be taken, is a public use, and that said land, or easement, or right of way, is necessary to be taken by said petitioner or applicant, for the use and purposes as in its petition alleged, and that the applicant has the right to condemn the same for such purposes.

And the said applicant, or petitioner, in pursuance of its notice and application, insisting upon and praying the appointment of commissioners to ascertain a just compensation to the parties entitled thereto for the said right of way, or easement sought to be taken in this case, and it appearing to the court that the petition of the applicant filed herein describes fully the lands in and through which the said easement, or right of way, is proposed to be taken, and states the names of the owners thereof, the nature of the interests of the said parties therein, and the purpose for which said easement, or right of way, is proposed to be taken, and that it will be used therefor, and that said corporation has been unable to agree with the owners as to the compensation to be paid therefor, the court doth further find and order that this case is one in which the applicant has a lawful right to take the said easement or right of way on, over and through the said property described in the said petition for the purposes set out therein. And the court doth hereby nominate thirteen disinterested freeholders of this county, as follows: Perry C. Williams, Charles A. Short, Austin H. Davisson, Lloyd M. Allen, Burgett Swisher, Wesley L. Steel, David L. Hall, Morgan R. Lodge, Cyrus Thompson, Lucian J. Davisson, Samuel S.

617 Faris, Cree B. Bartlett and S. A. Smith. And said applicant and the defendants, appearing by their counsel, proceeded to ascertain as provided by law from said thirteen freeholders the five to act as commissioners, while lot and choice fell upon the following named five freeholders, (of said thirteen) to act as said commissioners: Perry C. Williams, Chas. A. Short, Lloyd M. Allen, Morgan R. Lodge, and S. A. Smith. Thereupon it is further ordered by the court that the said five freeholders so selected as such commissioners, shall act as such, and that after being duly sworn for the purpose, they do proceed with all convenient speed, and after viewing said premises, and hearing any proper evidence offered, ascertain according to law what will be a just compensation to the parties entitled thereto for the right of way, or easement, to lay, construct and maintain said line of wrought iron, or steel pipe for transporting natural gas for public use on, over and through the said strip, or parcel, of land so proposed to be taken by the applicant in this case; and make report of their proceedings to this court according to law.

(The foregoing order was entered by the court December 29th, 1909, and is recorded in Law Order Book No. 34, at page 336.)

618 (Order Entered Jany. 29. 1910, Recorded in Law Order Book  
No. 34, Page 414.)

HOPE NATURAL GAS COMPANY, a Corporation, Applicant,  
vs.

ARTHUR W. RHODES et als.

Application and Proceeding to Condemn an Eastment for Pipe-line  
Purposes.

This day came the applicant, Hope Natural Gas Company, by A. B. Fleming, C. Powell and Kemble White, its attorneys, and came also the defendant Arthur W. Rhodes, by John Bassel, his attorney, and on motion of the applicant the oath taken by Charles A. Short, Morgan R. Lodge, Perry C. Williams, Lloyd M. Allen and S. A. Smith, the commissioners appointed in this case, duly certified by I. Wade Coffman, Clerk of the Circuit Court of Harrison County, as required by law, is now filed in the papers of this case.

And upon like motion of said applicant, the report of said commissioners Charles A. Short, Morgan R. Lodge, Perry C. Williams, Lloyd M. Allen and S. A. Smith is now filed in the papers of this case, said report bearing date the 26th day of January, 1910, and to which report the defendant Arthur W. Rhodes has made and filed exceptions and demanded that the question of compensation to be paid for the land or easement proposed to be taken by the applicant in this proceeding be ascertained by a jury of twelve freeholders to be selected and empaneled for the purpose in the manner provided by law,—which said exceptions to said report, as well as said demand, are attached to the said report. It is ordered that the said report of said commissioners be recorded in the Law Order Book

of this court, together with the oath so taken by said com-  
619 missioners and certified as aforesaid, and the said exceptions  
made and filed to said report, and the said demand for a trial  
by jury of the question of compensation, all of which is now done;  
said report, oath and exceptions and demand being in the words and  
figures following, to-wit:

(Oath.)

"In the Circuit Court of Harrison County, West Virginia.

HOPE NATURAL GAS COMPANY

vs.

ARTHUR W. RHODES et als.

Condemnation Proceedings.

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County;  
do certify that Charles A. Short, Perry C. Williams, L. M. Allen,

Morgan R. Lodge and S. A. Smith, Commissioners appointed by the Circuit Court of Harrison County upon the application of Hope Natural Gas Company to ascertain a just compensation to the persons entitled thereto for a right-of-way or easement in, over and through certain lands of the defendants in the above styled proceeding, described in the petition of the said Hope Natural Gas Company filed in said court on the 29th day of December, 1909, personally appeared before me in my said County and each of them before entering upon the discharge of his duties as such, made oath that he will honestly and impartially perform his duties as such Commissioner to the best of his skill and judgment.

Given under my hand this 25th day of January, 1910.

(Signed) I. WADE COFFMAN,  
Clerk of the Circuit Court of Harrison County."

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(Report.)

To the Circuit Court of Harrison County:

We, the Commissioners appointed by the Circuit Court of Harrison County by an order made on the 29th day of December, 1909, on the application of Hope Natural Gas Company, respectfully report:

That having been first duly sworn, we viewed the real estate owned by Arthur W. Rhodes, J. A. Hardway (as to part of oil and gas royalty), Albert L. Green (as to easement), Nathan Goff and M. J. Francis, Sheriff and administrator of Phillip Hilkey, deceased, (holding liens on portions thereof), Mary V. Rhodes and Emma A. Horner (holding charges on portions thereof), South Penn Oil Company and Hope Natural Gas Company (lessees of the oil and gas), James M. Riffe (as tenant of the surface), mentioned in said application, and are of opinion that \$342 will be a just compensation for so much of the said real estate as is proposed to be taken by the said applicant, that is to say: The right of way or easement to lay, construct, operate and maintain across, in and through that certain parcel or strip of land hereinafter described situate in Harrison County, West Virginia, along the center line hereinafter set out on the survey over said land the line of wrought iron or steel pipe, 12 inches in diameter where it crosses said tract of 226 acres, and 18 inches in diameter where it crosses said tract of 99¼ acres, of the applicant for transporting natural gas for public use, the said parcel of land being bounded and described as follows, to-wit: A strip of land situated in Union District, Harrison County, West Virginia, 20 feet in width, being in line 10 feet on each side of a center line, which said center line begins at a point in the center of the West Fork River, where said river forms the boundary line between the

lands of Arthur W. Rhodes and James Q. Musser; thence  
621 across a tract of 226 acres owned by said Arthur W. Rhodes  
N 37° 57' W. 120 feet; thence N. 39° 34' W. 958 feet to a  
point on the boundary line between said Rhodes tract of 226 acres  
and a tract of 99¼ acres lately owned by William E. Hacker and by

him sold, (though not conveyed by deed of record), to said Arthur W. Rhodes; thence across the said tract of 99¼ acres N. 39° 34' W. 265 feet; thence N. 19° 51' W. 1,371 feet to the boundary line between said tract of 99¼ acres and the land of William J. Law, at a point which is N. 53° E. 36 feet from a white oak corner on said boundary line; the said line of pipe to be twelve inches in diameter where it crosses said tract of 226 acres and eighteen inches in diameter where it crosses said tract of 99¼ acres.

As well as for damages to the residue of the said real estate beyond the peculiar benefits which will be derived in respect to such residue from the work to be constructed or from the purpose to which the part to be taken by said applicant is to be appropriated.

Given under our hands this 26 day of January, 1910.

(Signed)

CHARLES A. SHORT,  
MORGAN R. LODGE,  
PERRY C. WILLIAMS,  
LLOYD M. ALLEN,  
S. A. SMITH,

*Commissioners.*

#### Costs and Expenses:

Charles A. Short, 1 day's.....	\$2.00
Morgan R. Lodge, 1 day's.....	2.00
Perry C. Williams, 1 day's.....	2.00
Lloyd M. Allen, 1 day's.....	2.00
S. A. Smith, 1 day's.....	2.00

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#### *(Exception and Demand.)*

"Arthur W. Rhodes hereby excepts to the within report of commissioners Charles A. Short, Morgan R. Lodge, Perry C. Williams, Lloyd M. Allen and S. A. Smith, upon the ground that the amount ascertained by them and therein reported as compensation and damages to the persons entitled thereto, viz: \$342.00, is not sufficient and is entirely too low.

And he demands that the question of the said compensation be ascertained by a jury of freeholders to be selected and empaneled in the manner provided by law.

(Signed)

ARTHUR W. RHODES,  
By JOHN BASSEL,

*His Attorney."*

And thereupon the said applicant, Hope Natural Gas Compa. paid into Court the said sum of \$342.00, that being the sum ascertained by said commissioners as compensation and damages to the persons entitled thereto (being the defendants above named, or such of them as may be entitled to the same) for the land proposed to be taken in and by the petition and application of said Hope Natural Gas Company, &c.

And said applicant, Hope Natural Gas Company, having so as aforesaid paid into court the said compensation and damages so as

certained by said commissioners, it is further considered and ordered that the said Hope Natural Gas Company may, notwithstanding the pendency of further proceedings, enter upon, take and use for the purposes specified in its said application and petition that part of the land in respect to which such payment is made, and generally that the said applicant shall have all such rights, privileges and franchises as in the said application and petition are asked and as are conferred upon it by Section 20 of Chapter 42 of the Code of West Virginia as amended.

623 And the said Arthur W. Rhodes having filed exceptions to said report of said commissioners, and demanded that the question of compensation to be paid by the applicant be ascertained by a jury, it is further ordered that the question of the compensation to be paid by said Hope Natural Gas Company for said land proposed to be taken by it in and by this proceeding and its application herein, be ascertained by a jury of twelve freeholders, who shall be selected and empaneled for the purpose in the manner provided by law.

It is further ordered that the Clerk of this court do take charge of and hold the said sum of \$342.00 subject to the future order of the court.

624 HOPE NATURAL GAS COMPANY, a Corporation,

vs.

ARTHUR W. RHODES et al.

### Condemnation.

This day came Hope Natural Gas Company, by A. B. Fleming, C. Powell and Kemble White, its attorneys, and also the defendants Arthur W. Rhodes and Mary V. Rhodes, by John Bassil, Esq., their attorney, and thereupon the petitioner and applicant tendered and asked leave to file herein as part of the record an agreement in writing dated the 23rd day of March, 1910, signed by said defendants Arthur W. Rhodes and Mary V. Rhodes, which is now filed, and from which it appears that the matters in difference in this proceeding have been amicably adjusted and settled between the petitioner and the said defendants and that the said defendants have received from the petitioner a just compensation for the right of way or easement sought to be appropriated in this proceeding, and that by the said agreement in writing the said defendants direct the Clerk of this Court to return to said Hope Natural Gas Company the sum of money heretofore paid into court by it in this proceeding; and it also being now admitted by the applicant and the said defendants that the matters in controversy herein have been settled and that the said Hope Natural Gas Company is entitled to the money so paid into court. It is therefore ordered, by and with the consent of the applicant and said defendants, that the Clerk of this Court do, and he is hereby so directed, return and repay to said Hope Natural Gas Company the sum of \$342.00 heretofore paid



into court by it in this proceeding and that this proceeding be and is hereby dismissed.

(The foregoing order was entered by the court April 4th, 1910, and is recorded in Law Order Book 34, at page 483.)

625     STATE OF WEST VIRGINIA,  
          *County of Harrison, To wit:*

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the foregoing are true, correct and complete copies of the petition and exhibits therewith filed on December 29, 1909, and of the orders made and entered on December 29, 1909, January 29, 1910 and April 4, 1910, in the condemnation proceeding of Hope Natural Gas Company, a corporation, versus Arthur W. Rhodes and others, lately pending in said Circuit Court of Harrison County, as the same remains of record in my said office.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 29th day of January, 1921.

[Seal of Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN,  
Clerk.

STATE OF WEST VIRGINIA,  
          *County of Harrison, To wit:*

I, Haymond Maxwell, Judge of the Circuit Court of Harrison County, State of West Virginia, do certify that I. Wade Coffman, by whom the foregoing attestation was made, was, at the date thereof, Clerk of said court duly qualified and that the said attestation is in due form of law and made by the proper officer.

Witness my hand and seal on this the 31st day of January 1921.  
HAYMOND MAXWELL. [SEAL.]

626     STATE OF WEST VIRGINIA,  
          *County of Harrison, To wit:*

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the Honorable Haymond Maxwell, by whom the above certificate was given and whose name is thereto subscribed in his own proper handwriting, was, at the date thereof, Judge of the said Circuit Court of Harrison County, duly commissioned and sworn and acting.

In witness whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31st day of January, 1921.

[Seal of Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN, Clerk.

[Endorsed:] Hope Natural Gas Company vs. Arthur W. Rhodes et al. Condemnation.

PGH. v. MORRISON COND. W. VA. EX. 47.

Ex. W. VA. No. 47. O. L. H.

*Petition.*

Filed January 31, 1916, in Circuit Court of Harrison County, West Virginia.)

PITTSBURGH & WEST VIRGINIA GAS COMPANY

vs.

MARRIE MORRISON, HARRY C. MORRISON and JAMES E. MORRISON.

Condemnation Proceeding.

The petition of the Pittsburgh & West Virginia Gas Company respectfully represents:

1st. That petitioner is a corporation duly organized and existing under and by virtue of the laws of the State of West Virginia, for the purpose of transporting carbon oil and natural gas, or both, by means of pipe lines, or otherwise, for public use; that petitioner is now engaged in the business of producing, transporting and selling natural gas for public use and is now producing large quantities of natural gas within the state of West Virginia, and is transporting the same to market by means of certain pipe lines constructed and maintained by it; that the natural gas so transported by said lines being sold to the public in the following incorporated cities, towns and villages, to wit: Grafton, Enterprise, Shinnston, Lumberport, Laywood, Colfax, Worthington, Simpson, Pruntytown, Blueville, Thornton and Flemington, all within the state of West Virginia, and other places in the state of West Virginia not incorporated and many persons not living in any city, town or village, are likewise being supplied with natural gas for domestic and industrial uses by this petitioner, by means of its said system of pipe lines; that the transportation of said natural gas and the sale thereof is for the use of the public generally for the purpose of supplying light and heat to such public; and that your petitioner is ready and willing at all times, and has so held itself out, to sell said gas to the public, or any portion thereof, upon the payment of a reasonable price therefor.

2nd. That petitioner is now engaged in constructing lines of pipe over and through the county of Harrison, in the state of West Virginia, as it is by law authorized to do; that when the same are completed it is petitioner's purpose and intention to operate and maintain said pipe lines for the purpose of supplying natural gas to the inhabitants of the various incorporated cities, towns and vil-

lages hereinbefore mentioned, and to the public generally and for other lawful uses; that it desires to proceed with the construction of its said pipe line through the lands of said parties (Carrie Morrison), lying in the District of Coal, county of Harrison, and state of West Virginia; that for the purpose of constructing, building and maintaining its said pipe line for the transportation of natural gas for the public uses hereinbefore set out, it desires to acquire an easement or right of way, over across and upon that portion of the land of the person hereinbefore named described particularly as follows:

Beginning on line of lands of H. C. Morrison, at a point located N. 84° E. 350 feet from corner to lands of Prunty & Jacobs, H. C. Morrison and Carrie Morrison, thence S. 0° 30' E. 466 feet; S. 7° 30' W. 521 feet to right of way of the B. & O. R. R. Co., at a point located 498 feet in an easterly direction along said right of way from corner to lands of W. M. Joyce and B. & O. R. R. Co., a total distance of 987 feet.

3rd. That petitioner files herewith as part of this petition a plat of said land over which the said easement is proposed to be taken, marked "Gas Company Exhibit No. 1."

4th. That the strip of land hereinbefore described, upon which said easement is proposed to be taken, is owned by the following named persons, to wit: Carrie Morrison, widow of James H. Morrison, deceased, as tenant for life, with remainder in fee 630 simple to Harry C. Morrison and James E. Morrison, jointly, as heirs at law of said James H. Morrison, dec'd.

5th. That there are no liens upon said land, or claims thereto or outstanding estates therein or in any part thereof except as follows:

6th. That all pipe lines to be laid or constructed by it in, upon and through said lands hereinbefore described, are to be and will be buried under the surface of the ground to such a depth as not to interfere with the use of said land for agricultural purposes; that the pipe which petitioner intends to lay and will lay upon said right of way will be 12 inches in diameter; that your petitioner intends to use and will use the said easement or right of way over and upon the land hereinbefore described for the purpose of constructing, maintaining and operating its said pipe line; which pipe line will be used for the public uses hereinbefore set forth; and that the said easement or right of way is necessary for such purpose.

7th. That in taking the said easement or right of way, so proposed to be taken by petitioner, it will not be necessary to take any dwelling house, yard or garden, nor will such be taken therein or thereby; that in taking said easement or right of way and appropriating the same to the public use hereinbefore set forth, it is not and will not be necessary to erect or lay any oil tank or gas or oil pipe within one hundred feet of any occupied dwelling house, nor shall any

oil tank, gas or oil pipe line be erected or laid within one hundred feet of any occupied dwelling house; and that the parcel of land hereinbefore described does not lie within any municipal corporation.

8th. That the survey, location and route of petitioner's pipe line, upon and over the parcel of land hereinbefore described, has been regularly and duly selected, located, approved and adopted by the proper officers of the petitioner thereunto duly authorized by its Board of Directors.

9th. That petitioner, in pursuance of the provisions of Section 20 of Chapter 74 of the Acts of West Virginia for the year 1907, attempted to agree with the said owners of said land over which said easement or right of way is proposed to be taken, as aforesaid, as to the amount of damages or compensation for the said easement or right of way so proposed to be taken; that petitioner was, nevertheless, unable to agree with said owners, and the said owners failed and refused to accept a reasonable price for said easement or right of way; that petitioner thereupon offered to pay to the said owners the sum of one hundred and seventy-nine and 45/100 Dollars (\$179.45), for said easement or right of way, but the said owners refused to accept the same; that petitioner thereupon tendered to the said owners, to wit, on the 11th day of November, 1915, a bond in the penalty of \$1,000.00, with the National Surety Company as surety therein, conditioned according to law; which penalty petitioner avers to be more than sufficient to cover or secure any damages which the said owner may sustain in the premises, and the surety in which bond is sufficient. The said bond, together with a plan thereto attached, and an affidavit showing a proper tender thereof, is filed herewith as part of this petition, marked "Exhibit Bond and Tender," and petitioner asks that the recitals in said affidavit may be read as part of this petition. And the said bond is here now presented to your Honor's court.

10th. That petitioner has caused notice to be given to the said owners and to all persons having liens upon, interests in or claims against the land upon which the said easement or right of way is proposed to be taken, of petitioner's intention to file this petition and make this application, as will more fully appear from said notice and the evidence of the service thereof thereon endorsed, which is hereby filed and prayed to be read as part hereof marked "Exhibit Notice."

Petitioner therefore prays that said bond may be approved and that the same, together with the plan thereto attached, may be filed for the benefit of the owners of said land and of this petitioner, and that petitioner may be authorized to enter upon the enjoyment of said easement or right of way described in this petition and said bond; that after the filing of said bond, if any party in interest require it, commissioners may be appointed by this court to ascertain a just compensation to the owners thereof for the easement or right of way hereinbefore described and proposed to be taken by your

petitioner for the purpose aforesaid; that such other proceedings may be had in the premises as conform to law; and that upon the payment or securing of compensation by your petitioner in the manner required by law, the title to the above described easement or right of way may be decreed to be vested in your petitioner for the uses and purposes aforesaid; and that such other, further and general relief may be granted as to the court may seem proper or the nature of the case may require.

(Signed)      PITTSBURGH & WEST VIRGINIA GAS  
COMPANY,

By DAVIS, SWARTZ & TEMPLEMAN,

*Its Attorneys.*

(Here follows diagram marked page 633.)

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634 ("EXHIBIT BOND AND TENDER" FILED WITH THE PETITION).

*Bond.*

Know all men by these presents:

That we, Pittsburgh & West Virginia Gas Company, a corporation under the laws of the State of West Virginia, as principal, and National Surety Company, of New York, its surety, are held and firmly bound unto Carrie Morrison, Harry C. Morrison and James E. Morrison, in the sum of One Thousand and No/100 (\$1,000.00) Dollars, for the payment whereof, well and truly to be made, we bind ourselves, our successors and assigns, jointly and severally, by these presents.

In testimony whereof these presents are signed with our corporate names and sealed with our corporate seals, by our proper officers, respectively, thereunto duly authorized, this 9th day of November, 1915.

The condition of the above obligation is such that whereas the above bound Pittsburgh & West Virginia Gas Company, being a pipe line company organized under the laws of the State of West Virginia for the purpose of transporting carbon oil and natural gas by means of pipes, and being desirous of securing an easement or right of way over the lands of said obligees situate in Coal District, Harrison County, West Virginia, for the purpose of laying and constructing a pipe line twelve inches in diameter for the transportation of natural gas for public use, has attempted to agree with the said owners of said land as to the damage properly payable for such easement or right of way, and whereas, the said Pittsburgh & West Virginia Gas Company and the said owners have failed to agree  
635 as to the said damages and the said Pittsburgh & West Virginia Gas Company is desirous of taking possession of the said right of way or easement, at once, as provided by Section 20 of Chapter 74 of the Acts of 1907 of West Virginia, in advance of fixing of said damages, in the manner provided by said Chapter:

Now, therefore, if the said Pittsburgh & West Virginia Gas Company shall pay to the said Carrie Morrison, Harry C. Morrison and James E. Morrison, owners as aforesaid, any and all damages which said owners may sustain or incur by reason of the said Pittsburgh & West Virginia Gas Company taking possession of the said easement or right of way and laying a pipe line upon the same, as well as any and all damages which may hereafter be assessed by any court in favor of the said owners by reason of the taking of said easement or right of way, and any and all costs properly chargeable against the above bound Pittsburgh & West Virginia Gas Company, then this obligation to be void, otherwise to remain in full force and effect.

A plan is hereto attached showing the route of the proposed pipe line over said land, marked for identification, "Gas Company Exhibit No. 1."

[SEAL.]

(Signed) PITTSBURGH & WEST VIRGINIA GAS COMPANY,

By J. F. GUFFY,

*President.*

Attest:

W. B. CARSON,

*Secretary.*

[SEAL.]

NATIONAL SURETY COMPANY,

By E. B. TEMPLEMAN,

*Attorney in Fact.*

A. F. DENNISON,

*Attorney in Fact.*

636 STATE OF WEST VIRGINIA,

*County of Harrison, To wit:*

I, Osman E. Swartz, a notary public in and for the said county of Harrison, do certify that E. Bryan Templeman and A. F. Dennison this day personally appeared before me in my said county and being by me first duly sworn, did depose and say: That they are attorneys-in-fact for the National Surety Company of New York, the corporation described in the writing hereto annexed bearing date the 9th day of November, 1915, authorized by said corporation to execute and acknowledge deeds and other writings of the said corporation; that the seal affixed to the said writing is the corporate seal of the said corporation, and that the said writing was signed and sealed by them in behalf of said corporation by its authority duly given. And the said E. Bryan Templeman and A. F. Dennison acknowledged the said writing to be the act and deed of the said corporation.

Given under my hand this 11th day of November, 1915.

(Signed)

OSMAN E. SWARTZ,

*Notary Public.*

My commission expires Dec. 2, 1924.

637 STATE OF PENNSYLVANIA,

*County of Allegheny, To wit:*

I, H. K. Bragdon, a notary public in and for the said County of Allegheny, do certify that J. E. Guffey this day personally appeared before me in my said county and being by me first duly sworn, did depose and say: That he is the President of the Pittsburgh & West Virginia Gas Co., the corporation described in the writing hereto annexed bearing date the 9th day of November, 1915, authorized by said corporation to execute and acknowledge deeds and other writings of the said corporation; that the seal affixed to the said writing is the corporate seal of the said corporation and that the said writing was signed and sealed by him in behalf of the said corporation by it

authority duly given. And the said J. F. Guffey acknowledged the said writing to be the act and deed of the said corporation.

Given under my hand this 9th day of November, 1915.

(Signed) H. K. BRAGDON,  
Notary Public.

My commission expires 21st day of February, 1919.

638 ("EXHIBIT NOTICE" FILED WITH THE PETITION.)

*Notice.*

To Carrie Morrison, Harry C. Morrison, and James E. Morrison:

Take notice, that on the 17th day of November, 1915, at 9 o'clock A. M., or as soon thereafter as the matter can be heard, the undersigned will present to the Honorable Haymond Maxwell, Judge of the Circuit Court of Harrison County, West Virginia, in vacation of said court at Weston, West Virginia, for approval, that certain bond, in the penalty of \$1,000.00, this day tendered to you, which bond is conditioned for the payment to you of such damages as you may sustain by reason of the appropriation by the undersigned of an easement or right of way for a pipe line over lands owned by you or in which you are interested, the route and location of said pipe line being shown by a plan attached to the said bond tendered to you as aforesaid. Take notice further, that unless exceptions to the form, amount or surety of said bond shall be filed within three days after its presentation, the said bond will be approved by the court. Take notice further, that at the time and place above stated the undersigned will tender and ask leave to file its petition against you, and will ask the court to take such other proceedings against you as conform to law and are necessary for the lawful appropriation of said easement by the undersigned.

Yours, etc.,

(Signed) PITTSBURGH & WEST VIRGINIA GAS  
COMPANY,  
By DAVIS, SWARTZ & TEMPLEMAN,  
Its Attorneys.

639 *Affidavit.*

STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, E. B. Templeman, a notary public in and for the said County of Harrison, do certify that J. A. Joliffe, this day personally appeared before me in my said county, and being by me first duly sworn, did depose and say: That he is agent of Pittsburgh & West Virginia Gas Company, duly authorized by said Company to agree, if possible, with the owners of land for easements or rights of way in, on and over their lands for the construction of pipe lines for the transportation of natural gas, and upon failing to agree with said land owners,

to tender bonds to secure to said owners the payment of damages properly payable for such easement.

That affiant, in pursuance of his said duties, on the 11th day of November, 1915, called upon Carrie Morrison, Harry C. Morrison and James E. Morrison the parties named as obligees in the foregoing bond, and attempted to agree, on behalf of said company, to the damages properly payable to the said owners for the easement described in the foregoing bond and plan thereto annexed; that the said owners refused to agree upon such damages with affiant; that afterwards, to wit, on the day and year last aforesaid, affiant offered to the said owners the fair market price of said easement or right of way, to wit, the sum of one hundred seventy-nine and 45/100 Dollars, (\$179.45), which offer was refused; that thereafter, on the day and year last aforesaid, affiant tendered to the said owners the bond hereto annexed, and the said owners refused to accept said bond.

That affiant thereupon served the notice hereto annexed upon the said owners, in the manner and at the time and place hereinafter stated, that is to say: Upon the within named Carrie Morrison, Harry C. Morrison and James E. Morrison by delivering to them and each of them in person, in Harrison County a true copy thereof, on the 11th day of November, 1915.

(Signed)

J. A. JOLLIFFE

Taken, subscribed and sworn to before me in my said county on the 11th day of November, 1915.

(Signed)

E. B. TEMPLEMAN,

*Notary Public.*

My commission expires May 10, 1919.

641 (Order Entered Jan. 31, 1916; Recorded in Law Order Book No. 38, Page 161.)

In the Circuit Court of Harrison County, West Virginia

PITTSBURG & WEST VIRGINIA GAS COMPANY

vs.

HARRY MORRISON et al.

Condemnation Proceeding.

This day came the petitioner, Pittsburg & West Virginia Gas Company, by Davis, Swartz & Templeman, its attorneys, and the defendants, Carrie Morrison, Harry C. Morrison and James E. Morrison, by Ray L. Strother, their attorney, and upon motion of the said petitioner it is ordered that the petition of the said Pittsburg & West Virginia Gas Company which was lodged in the office of the clerk of this court by vacation order entered on the 17th day of November, 1915, be and it is here now filed in open court and the proceeding is, upon like motion, placed upon the docket of the

court. It is further ordered that the bond heretofore tendered herein be, and the same is hereby approved and filed for the benefit of said landowners.

Thereupon the said petitioner by its said attorneys and the said defendants by their said attorney, concurrently, moved the court for the appointment of commissioners to ascertain a just compensation to the parties entitled thereto, the owners of the land in the petition described, for the right of way or easement sought to be taken in this proceeding. Whereupon the court nominated thirteen disinterested freeholders of this county, to-wit: Cree M. Bartlett, Clarence W. Leggett, Charles L. Ladwig, Scott H. White, 642 Okey B. Lawman, P. C. Sturm, Nelson Robinson, Perry C. Williams, Howard B. Post, John J. Dolan, Truman J. Lynch and John C. Johnson. And the parties, by their counsel, proceeded to ascertain as provided by law from said thirteen freeholders, the five thereof to act as commissioners, which choice and lot fell upon the following named, to-wit: Clarence W. Leggett, Okey B. Lawman, Perry C. Williams, Howard B. Post and Truman J. Lynch.

And thereupon it is ordered by the court that said five freeholders so selected to act as such commissioners do proceed with all convenient speed and after viewing said premises and hearing any proper evidence offered, ascertain according to law what will be a just compensation to the parties entitled thereto for the easement so proposed to be taken as aforesaid, and make report of their proceedings to this court according to law.

643 (*Order Entered Feb. 19, 1916; Recorded in Law Order Book No. 58, Page 192.*)

In the Circuit Court of Harrison County, West Virginia.

PITTSBURG & WEST VIRGINIA GAS COMPANY

vs.

CARRIE MORRISON et al.

Condemnation.

This day came the parties by their attorneys, and it appearing to the court that the commissioners appointed to ascertain the compensation to which the defendants are entitled for the easement sought to be taken in this proceeding, filed their report with the Clerk of this court on the 19th day of February, 1916, which report bears date the 15th day of February, 1916, fixing the compensation of the said defendants for the easement taken, as well as for damages to the residue of their land beyond the peculiar benefit which will be derived in respect to such residue from the work to be constructed, at Two Hundred and Twenty-five Dollars, (\$225.00), and the said defendants, Carrie Morrison, Harry C. Morrison and James

E. Morrison, by Ray L. Strother, their attorney, having excepted to the said report and award of commissioners because the same is inadequate, and having demanded that the compensation to which the said defendants are entitled by tried by jury at the bar of the court; now, therefore, it is ordered that a jury be summoned to try said issue in the manner provided by law and that this proceeding be continued until the next term of court.

644      (*Order Entered June 2, 1917; Recorded in Law Order Book No. 39, Page 19.*)

In the Circuit Court of Harrison County, West Virginia.

PITTSBURG & WEST VIRGINIA GAS COMPANY

vs.

CARRIE MORRISON et al.

Condemnation.

This day came again the parties by their attorneys and the defendants, Carrie Morrison, Harry C. Morrison and James E. Morrison by Ray L. Strother, their attorney, asked leave to withdraw their exception to the report of commissioners filed in this court on the 19th day of February, 1916, which report bears date the 15th day of February, 1916, which leave is hereby granted and said exception is withdrawn.

And there being no other or further exceptions to said report of commissioners and the same appearing to be in all respects regular, the said report is, on motion of the petitioner, hereby ratified, approved and confirmed and ordered to be recorded in the law order book of this court, which report is in the words and figures following, to-wit:

(*Report of Commissioners.*)

"In the Circuit Court of Harrison County, West Virginia.

PITTSBURG & WEST VIRGINIA GAS COMPANY

vs.

CARRIE MORRISON et al.

Condemnation.

STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, I. Wade Coffman, Clerk of the Circuit Court within and for the county and state aforesaid, do hereby certify that Perry  
645      C. Williams, Howard B. Post, Okey B. Lawman and Truman J. Lynch, four of the commissioners appointed by the



Circuit Court of Harrison County upon the application of Pittsburgh West Virginia Gas Company to ascertain a just compensation to Carrie Morrison, Harry C. Morrison and James E. Morrison for a certain easement proposed to be taken by said company for public use and described in the petition of said company filed in said cause on the 31st day of January, 1916, personally appeared before me in said county this day, and each of them, before entering upon the discharge of his duties as such, made oath that he will honestly and impartially perform his duties as such commissioner to the best of his skill and judgment.

Given under my hand this 15th day of February, 1916.

(Signed)

I. WADE COFFMAN,  
*Clerk Circuit Court.*

the Circuit Court of Harrison County:

We, the commissioners appointed by the Circuit Court of Harrison County by and order entered on the 31st day of January, 1916, upon application of the Pittsburgh & West Virginia Gas Company, respectfully report: That having been first duly sworn, we viewed the real estate owned by Carrie Morrison as life tenant, and Harry C. Morrison and James E. Morrison as remaindermen, mentioned in said application, and heard the testimony of witnesses who had been first duly sworn, and are of opinion that Two Hundred and Twenty-five Dollars, (\$225.00), would be a just compensation for the easement or right of way proposed to be taken by the said applicant, that is to say, an easement or right of way for a pipe twelve (12) inches in diameter for the transportation of natural gas over, across and upon that portion of the lands of said Carrie Morrison, Harry C. Morrison and James E. Morrison described particularly as follows:

Beginning on the line of lands of Harry C. Morrison at a point located N. 84° E. 350 feet from the corner of lands of Prunty and Jacobs, Harry C. Morrison and Carrie Morrison; thence S. 0° 30' E. 466 feet; thence S. 7° 30' W. 521 feet to right of way of the Baltimore & Ohio Railroad Company, at a point located 498 feet in an Easterly direction along said right of way line from corner to lands of W. M. Joyce and the Baltimore & Ohio Railroad Company, a total distance of nine hundred and eighty-seven (987) feet.

As well as for the damage to the residue of said real estate beyond the peculiar benefit which will be derived in respect to such residue from the work to be constructed.

We further report that the taxation of costs hereunto annexed is true and correct.

Given under our hands this 15th day of February, 1916.

(Signed)

PERRY C. WILLIAMS.  
HOWARD B. POST.  
O. B. LAWMAN.  
TRUMAN J. LYNCH.

In the Circuit Court of Harrison County, West Virginia.

PITTSBURGH & WEST VIRGINIA GAS CO.

v.

CARRIE MORRISON et al.

Condemnation Proceeding.

*Statement of Costs Before Commissioners.*

Perry C. Williams, Commissioner,	1 day's, 8 mi.	\$.....
Howard Post, do.	1 do. 8 do.	.....
O. B. Lawman, do.	1 do. 8 do.	.....
Truman J. Lynch, do.	1 do. 8 do.	.....
Dr. H. J. Brown, Witness,	one do. four do.	.....
John T. Flynn, "	one " four "	.....
G. L. Pettrey, "	one " four "	.....
J. F. Strother, "	one " four "	.....
John B. Strother, "	one " four "	.....

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Henry Wickenhooper, "	one " four "	.....
Harry Morrison, "	one " four "	.....
Ross F. Stout, Sheriff, serving 7 subpoenas.		\$1.75

And it appearing to the court that the petitioner has paid to the said defendants the sum of Two Hundred and Twenty-Five Dollars (\$225.00), compensation awarded to the said defendants in said report of commissioners, it is considered, adjudged and ordered that the said petitioner do take and hold the easement in said report described for the uses and purposes set out in the petition and proceedings in this cause. It is further ordered that the petitioner do pay the costs of this proceeding and that the same be and it is hereby retired from the docket.

648 STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the foregoing are true, correct and complete copies of the petition and exhibits therewith filed on January 31, 1916, and of the orders made and entered on January 31, 1916, February 19, 1916 and June 2, 1917, in the condemnation proceeding of Pittsburgh & West Virginia Gas Company, a corporation, versus Carrie Morrison and others, lately pending in said Circuit Court of Harrison County, as the same remain of record in my said office.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 29th day of January, 1921.

[Seal of Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN,  
Clerk.

STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, Haymond Maxwell, Judge of the Circuit Court of Harrison County, State of West Virginia, do certify that I. Wade Coffman, by whom the foregoing attestation was made, was, at the date thereof, Clerk of said court duly qualified and that the said attestation is in due form of law and made by the proper officer.

Witness my hand and seal on this the 31st day of January 1921.

HAYMOND MAXWELL. [SEAL.]

649 STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the Honorable Haymond Maxwell, by whom the above certificate was given and whose name is thereto subscribed in his own proper handwriting, was, at the date thereof, Judge of the said Circuit Court of Harrison County, duly commissioned and sworn and acting.

In witness whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31st day of January 1921.

[Seal of Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN,  
Clerk.

650 [Endorsed:] Pittsburgh & West Virginia Gas Company vs.  
Carrie Morrison, Harry C. Morrison and James E. Morrison.  
Condemnation.

In the Circuit Court of Harrison County, West Virginia.

THE PHILADELPHIA COMPANY OF WEST VIRGINIA

VS.

W. M. CURRY.

Condemnation of Pipe Line Right of Way.

To the Honorable Charles W. Lynch, judge of said court:

The petition of The Philadelphia Company of West Virginia respectfully represents:

1st. Your petitioner is a corporation organized under the laws of the state of West Virginia, having been incorporated September 26th, 1895, for the purpose of mining, boring, digging for or otherwise obtaining from the earth petroleum, rock or carbon oils and natural gas, and manufacturing, buying, selling and transporting the same in the crude and in the refined states; for the purpose of constructing and maintaining lines of tubing and piping for the transportation of such oils and gas, or either of them, for the public generally, as well as for the use of said corporation; for the purpose of transporting such oil or gas, or either of them, by means of such pipes or otherwise and selling and supplying the same to others; and generally for the purpose of doing such acts and carrying on such business as pertains to such works and improvements; a true and correct copy of its certificate of incorporation being attached hereto, made a part hereof, and marked "Exhibit A." Your petitioner is,

652 by virtue of the laws of said state, a common carrier of natural gas; and is recognized by the Administrative Department of said State as the owner and operator of pipe lines within said state used for the transportation of gas for public use and the said petitioner, as such pipe line company and public service corporation, regularly makes to the Board of Public Works of said State a return in writing, required by Section 84, Chapter 29 of the Code of said state; and the said petitioner is by said Board of Public Works duly and regularly assessed for taxation as such pipe line company and public service corporation. Its tax paid to the said state for such purpose during the year 1911 amounted to \$49,993.15.

2nd. Your petitioner since its incorporation has been engaged in the business of producing and marketing natural gas and is supplying gas to thirty-four school houses, four churches, five manufacturing concerns, three hundred thirty dwellings and four gas com-

anies, a true and correct list of said consumers being attached hereto, made a part hereof, and marked "Exhibit B."

3rd. Your petitioner is constantly increasing the number of its consumers and is desirous of largely increasing its sales of gas in the various counties of West Virginia traversed by its lines. Your petitioner is ready and willing to sell gas to all parties within reaching distance of its pipe lines, who apply for the same, at reasonable rates. Your petitioner, being a public service corporation, as hereinbefore stated, is ready and willing to furnish gas at all times to the public, as aforesaid.

4th. Your petitioner, during some of the winter months of 1909, was not able, because of the inadequacy of its pipe lines, to supply sufficient quantity of gas to a number of its consumers, among them being the Grafton Electric Railway, Thornton Fire Brick Company, Beaumont Glass Company, Baltimore & Ohio Railroad Company, Grafton Window Glass Company, Crystal Ice Company, Grafton Wood Working Company, Grafton Gas & Electric Light Company, Fairmont Gas & Light Company and the Philadelphia Company. At times such shortage amounted to from three to five million cubic feet of gas per day, and your petitioner, because of the fact that its present lines are not sufficient to supply the anticipated demand for gas during the coming winter, due to the fact that the condition of its wells is causing it to go further afield each year for its supply of gas, finds that it is necessary for it to build certain additional pipe lines to convey to its consumers a supply of gas during the coming winter.

5th. The Board of Directors of The Philadelphia Company of West Virginia, by a resolution unanimously adopted at a meeting of said Board on June 6th, 1912, having decided that it would be necessary in the conduct of its business to have a pipe line from its Pump Station No. 18, Freemans Creek District, Lewis County, West Virginia, to connect with the sixteen-inch line on the Sarah Maloney farm, McClellan District, Doddridge County, West Virginia, had a survey made for said proposed line, which survey was adopted by the said company and determined upon as the route best adapted for the company's purpose and is located so that the same does not pass within one hundred feet of any occupied dwelling, nor does it make or pass through any dwelling house, yard or garden, nor does it lie wholly or in part in any municipal corporation. The only pipe line which your petitioner intends to lay upon said route will be sixteen inches in diameter; will be used exclusively for the transportation of natural gas; is necessary to supply with gas the aforesaid consumers and such new consumers as your petitioner expects to secure in the near future and will be buried under the surface to such a depth as will not interfere with the use of the land for agricultural purposes.

6th. The said proposed line passes over and upon lands belonging to W. M. Curry situate in Union District, Harrison County, West Virginia, bounded by lands of H. Richards, B. F.

Boner, E. D. Ferris et al., the route described being as follows, to-wit:

Beginning at the line of H. Richards, at a point S. 45° 45' E. 395 feet distant from Post, corner to B. F. Boner, H. Richards and W. M. Curry; thence N. 19° 45' W. 224 feet to a point; N. 10° 00' W. 273 feet to a point; N. 10° 15' E. 59 feet to line of B. F. Boner, at a point N. 32° 30' E. 309 feet distant from Post, corner aforesaid, a total distance of 556 feet. And thence beginning again at the line of B. F. Boner, at a point S. 14° E. 80 feet from stone, corner to E. D. Ferris, B. F. Boner and W. M. Curry thence N. 5° 00' W. 71 feet to line of E. D. Ferris, at a point S. 86° 30' E. 17 feet distant from said corner. A total distance of 71 feet. And the right of way sought to be taken is twenty feet in width or ten feet on each side of said center line.

7th. Your petitioner, through its field agent, R. E. Clark, attempted to purchase from the said W. M. Curry an easement or right of way over his land for the purpose of constructing thereon a pipe line as hereinbefore described for the transportation of gas along the route aforesaid, and the said R. E. Clark offered to the said W. M. Curry a fair market price for said easement, to-wit: the sum of Three and no/100 (3.00) Dollars per rod; but the said W. M. Curry refused to grant to your petitioner a right of way or easement for said pipe line, and thereupon the said R. E. Clark tendered to the said W. M. Curry a bond from The Philadelphia Company of West Virginia in the sum of One Thousand and No/100 (1,000.00) Dollars, with the Citizens Trust and Guaranty Company of West Virginia as surety, together with a plan attached thereto showing the

655 location of said proposed pipe line, in accordance with the terms of the Act of the Legislature of West Virginia in such cases made and provided, which bond, with plan attached thereto, is attached hereto, made a part hereof, and marked "Exhibit C." The said Citizens Trust and Guaranty Company of West Virginia is a trust company duly authorized under the laws of the state of West Virginia to do business in that state; the said company has in all respects complied with the requirements of the laws of the said state and is, and has for many years, been amply solvent and well able to perform all of its obligations, and the said company is in fact a good and sufficient surety for the bond above mentioned.

8th. The said W. M. Curry refused to accept the said bond and thereupon the said R. E. Clark served upon him a notice that the said bond would be presented to court to be approved and filed for his benefit, on the 22nd day of June, A. D. 1912, a copy of said notice, together with proof of service thereof, is attached hereto, made a part hereof, and marked "Exhibit D."

9th. The said W. M. Curry is the owner of the land hereinbefore described, over which a right of way is proposed to be taken. There are no liens upon the said real estate, created by judgment, deed of trust or otherwise, nor conflicting claims thereto.

10th. Your petitioner avers that the pipe line which it proposes to build is an internal improvement for public use; that delay in

securing the said right of way will interfere with the proper development of its gas territory in this vicinity and will interfere with the performance of its duties to the land owners who have made oil and gas leases to your petitioner and will also injuriously delay its consumers in obtaining the necessary supply of gas.

11th. Your petitioner, under the law, has the right to acquire and take the said right of way or easement in and by this petition, application and bond.

Wherefore, your petitioner prays this Honorable Court to approve said bond and to direct that the same be filed for the benefit of the said W. M. Curry, in accordance with the Act of the Legislature of West Virginia in such cases made and provided. Your petitioner further prays that it be allowed to enter upon the easement as soon as the said bond has been approved, for the purpose of constructing its pipe line without delay; and your petitioner further prays that commissioners may be appointed by this Court to ascertain a just compensation to the said W. M. Curry for the said easement or right of way, in and through the land hereinbefore described and proposed to be taken by your petitioner for the purpose and use aforesaid, and that such proceedings may be had in the premises as conform to law; and your petitioner also asks such other and additional relief as the Court may deem proper to award in the premises.

(Signed) THE PHILADELPHIA COMPANY OF  
WEST VIRGINIA,

By J. F. GUFFEY, *President.*

Attest:

[Corporate Seal.]

W. B. CARSON,  
*Secretary.*

657 STATE OF PENNSYLVANIA,  
*County of Allegheny, ss:*

Personally appeared before me, the undersigned authority, J. F. Guffey, who, being duly sworn according to law, deposes and says that the facts set forth in the foregoing petition are true and correct.

(Signed)

J. F. GUFFEY.

Sworn and subscribed to before me this 20<sup>th</sup> day of June, A. D. 1912.

[SEAL.] (Signed) HOWARD K. BRAGDON,  
*Notary Public.*

My commission expires February 21, 1915.

STATE OF PENNSYLVANIA,  
*Allegheny County, ss:*

I, William H. Coleman, Clerk of the Court of Quarter Sessions in and for the County of Allegheny, in the Commonwealth of Pennsyl-



vania, the same being a Court of Law and Record, do by these presents certify that Howard K. Bragdon, Esquire, before whom the foregoing affidavit was taken, and who has hereunto, in his own proper handwriting, subscribed his name, was at that time and is a notary public in and for said county of Allegheny duly commissioned and sworn, and authorized by law of the Commonwealth of Pennsylvania to take affidavits and acknowledgments of deeds for lands and real estate in said Commonwealth of Pennsylvania, and to all whose acts as such due faith and credit are, and of right *out* to be given throughout the United States and elsewhere. And further, that I am acquainted with his handwriting and verily believe the signature thereto to —.

658 I further certify that the foregoing affidavit was taken in accordance with the laws of the state of Pennsylvania.

In testimony whereof, I have hereunto set my hand and affixed the seal of the Court, at Pittsburgh, this 20th day of June, A. D. 1912.

[Official Seal.]

(Signed)

W. H. COLEMAN,

*Clerk.*

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"EXHIBIT A."

*Certificate of Incorporation.*

State of West Virginia.

The Philadelphia Company of West Virginia.

I, W. E. Chilton, Secretary of State of the State of West Virginia, hereby certify that an agreement, duly acknowledged and accompanied by the proper affidavits, has been this day delivered to me, which agreement is in the words and figures following:

The undersigned agree to become a corporation by the name of The Philadelphia Company of West Virginia, for the purpose of constructing and maintaining lines of tubing and piping for the transportation of such oils and gas, or either of them, for the public generally, as well as for the use of said corporation; for the purpose of transporting such oil or gas, or either of them, by means of such pipes or otherwise and selling and supplying the same to others; and generally for the purpose of doing such acts and carrying on such business as pertains to such works and improvements.

Which corporation shall keep its principal office or place of business at Pittsburgh, in the County of Allegheny and State of Pennsylvania, and is to expire on the 31st day of December, 1944. And for the purpose of forming the said corporation, we have subscribed the sum of Five Hundred Dollars to the capital thereof, and have paid in on said subscriptions the sum of Fifty Dollars, and desire the privilege of increasing the said Capital, by the sale of additional shares from time to time, to One Million Dollars, in all. The Capital so subscribed is divided into shares of Fifty Dollars each, which are held by the undersigned respectively, as follows, that is to say:

Names.	Residence.	No. of shares.
By Geo. H. Browne.....	Pittsburgh, Pa. ....	2
" J. R. McGinley.....	" " ....	2
" W. D. Uptergraff .....	" " ....	2
" T. W. Siemon.....	" " ....	2
" W. P. Hubbard .....	Wheeling, W. Va. ....	2

And the Capital to be hereafter sold is to be divided into shares of the like amount.

Given under our hands this 23rd day of September, 1895.

GEO. H. BROWNE.

J. R. MCGINLEY.

W. D. UPTERGRAFF.

T. W. SIEMON.

W. P. HUBBARD.

Wherefore, The corporators named in the said agreement, and who have signed the same, and their successors and assigns, are hereby declared to be from this date until the thirty-first day of December, nineteen hundred and forty-four, a corporation by the name and for the purposes set forth in said agreement.

Given under my hand and the Great Seal of the said State, at the City of Charleston, this twenty-sixth day of September eighteen hundred and ninety-five.

[SEAL.] (Signed)

W. E. CHILTON,  
Secretary of State.

# 661 EXHIBIT B.

*Detailed Statement of Certain Parties to Whom the Philadelphia Company of West Virginia Furnishes Gas and the Use to Which said Gas Is Put.*

School-houses Supplied by the Philadelphia Company of West Virginia.

Name.	Location.
Bookers Mills School.....	Bookers Mills, W. Va.
Bearwallow School.....	Artisan, W. Va.
Elm Grove School.....	Elm Grove, W. Va.
Board of Education School #3.....	Burton, W. Va.
Board of Education School #8.....	Daybrook, W. Va.
Board of Education School #15.....	Amos, W. Va.
Board of Education School #21.....	Amos, W. Va.
Board of Education School #26.....	Amos, W. Va.
Cross Border School.....	Kodal, W. Va.
Eagle District School #6.....	Shinnston, W. Va.
Eagle District School #7.....	Shinnston, W. Va.
Eagle District School #16.....	Shinnston, W. Va.
Eagle District School #17.....	Baker, W. Va.

Name.	Location.
Eagle District School #21.....	Shinnston, W. Va.
Fairview School #17.....	Mobley, W. Va.
Fallen Timber School.....	Smithfield, W. Va.
Kendall School #38.....	Mobley, W. Va.
Lincoln District School #7.....	Mannington, W. Va.
Liston School #4.....	Littleton, W. Va.
Board of Education School #12.....	Farmington, W. Va.
Board of Education School #10.....	Shinnston, W. Va.
Board of Education School #11.....	Farmington, W. Va.
Board of Education School #26.....	Worthington, W. Va.
Low Gap School.....	Wilbur, W. Va.
Board of Education School #23.....	Mannington, W. Va.
Maple School #4, Batelle Dist.....	Burton, W. Va.
Ott Border School #36.....	Sincerity, W. Va.
Stewarts School.....	Athens, W. Va.
Sub District School #15.....	Salem, W. Va.
Sub District School #2, McClellan Dist..	Salem, W. Va.
Sub District School #22 McClellan Dist..	Salem, W. Va.
Sub District School #24 McClellan Dist..	Salem, W. Va.
Oak Grove School.....	Lowman, W. Va.
Walnut Fork School.....	Cork, W. Va.

## Churches Supplied by the Philadelphia Company of West Virginia

Name.	Location.
Christian Church.....	Lowman, W. Va.
Stringtown Chapel.....	Stringtown, Mann ton, W. Va.
Ten Mile Baptist Church.....	Rose Bud, W. Va.
Valley Chapel M. E. Church.....	Burton, W. Va.

662 Domestic Consumers in Various Towns, etc., at Present Supplied with Gas by the Philadelphia Company of West Virginia.

## Amos:

F. M. Brookover.  
Morgan Connors.  
L. R. Darrah.  
Geo. M. Davis.  
W. L. Heck.  
F. E. Shoman.  
David Tennant.  
Enoch J. Tennant  
Trainer Tennant.  
Elihu Tuttle.  
L. B. Underwood.  
Stephen Williams.  
Mary A. Moore.  
Catherine Varner.  
J. J. Ammons.

## Blue:

Martha Spencer.

## Bristol:

E. L. Loughery.  
Guy Goodwin.

## Brown:

John C. Harbert.

## Clarksburg:

J. M. Clark.

## Centerpoint:

W. D. Ashcraft.

## Amos:

M. L. Haught.  
H. G. Keck.  
Sanford Mason.  
Stephen Mason.  
D. L. Moore.  
Unice D. Tennant.  
Sherman Tuttle.  
Adam W. Wilson.  
E. L. Wilson.  
Eli Wright.  
L. S. Youst.  
Harry Youst.  
Elroy Yost.

## Broomfield:

A. W. Benton.  
Bert Clevenger.  
Jas. King.

## Burton:

D. L. Tennant.  
Urias Shriver.

## Cork:

A. Thompson.

## Anthon:

Geo. Anderson.

## Artisan:

H. W. Shreeves.  
E. H. Shreeves.

## Big Moses:

J. S. Myers.  
W. J. Weekley.

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## Blacksville:

M. L. Clovis.  
Frank Myers.

## Jacksonburg:

L. A. Lemasters.  
D. C. Mahall.  
Stephen Morgan.  
Ben McLaughlin.

## Janelew:

Dora E. Frashuer.  
A. H. Reed.  
Am. M. McDonald.  
E. G. Oldaker.

## Daybrook:

J. O. Cook.  
J. W. Devine.  
A. L. Headley.

## Dola:

C. F. Stirl.  
Mary Lang.

## Enterprise:

Daniel Flogracy.

## Fallen Timber:

U. Grant Edgell.

## Farmington:

James Cooper.  
Spray Millian.

## Fairmont:

Otio F. Martin.

## Freemansburg:

Lawrence Henry.  
H. S. Root.  
J. B. Halterman.  
Geo. Waggoner.  
M. N. Pringle.

## Glovergap:

S. J. Thomas.

## Littleton:

## Johns:

A. L. Tennant.  
W. J. Stewart.  
John Wyckoff.  
Archie Marshall.  
Thos. Metz.  
Israel Anderson.  
J. R. Roy.  
Frank Beever.  
Harry Bradley.  
Wm. Hinerman.  
Jno. A. Hunt.  
D. W. Lemley.

## Kodal:

H. A. Shupp.  
Thos. Williams.

## Hildreth:

Ira Dye.

## Hundred:

Charles Bradley.  
Ben Lewis.  
Joseph Mackey.  
W. M. Dailey.  
Noah Henderson.  
Sam Himelrick.  
R. H. Hunt.  
Geo. Milliken.  
Bruce Reed.  
Criss Renner.  
John Selos.  
S. J. Talkington.  
John H. Whisler.  
Joe Woods.  
M. C. Henderson.  
C. E. Hunt.  
Percy Jackson.  
J. H. Ross.  
John Bean.  
Geo. Hixenbaugh.  
Amos Hostettler.  
S. S. Lemley.  
E. L. Litman.

## Littleton:

J. F. Ashenhart.  
Cora Bradley.  
J. W. Cumberledge.  
T. F. Dunnington.  
T. E. Dent.  
Peter Henderson.  
J. F. McNary.

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B. E. Teagarden.  
J. K. Anderson.  
J. E. Brookover.  
William Garrison.  
John Hennen.  
David Hix.  
Kate Hudson

## Little Battle Creek:

D. E. Allen.

## Lost Creek:

J. P. Post.  
S. C. Allen.  
J. W. Law.  
W. T. Law.  
D. O. Morgan.  
M. L. Nutter.

## Lowman:

James Clayton.  
G. S. Goodrich.  
Geo. Spray.  
I. Y. Dulaney.  
W. F. Moore.  
Jack Shreeves.  
F. K. Willey.  
W. S. Wright.  
E. N. Wright.

## Mobley:

W. T. Francis.

## Mannington:

W. M. Bradley.  
M. E. Carroll.  
F. J. Jones.  
G. H. Myers.  
J. T. Myers.  
Albert Rice.  
Riley Robinson.  
J. E. Toothman.  
Fred Crim.  
J. H. Crim.  
R. H. Joliffe.  
Otto Smith.  
J. D. Snider.

The Fairmont & Manning  
Traction Co. (car bar

## Ned:

C. B. Bissett.

## Orlando:

W. H. H. Thompson.

## Littleton:

W. H. Kimble, Sr.  
W. A. Marshall.  
James Sanney.  
E. E. Sexton.

## Smithfield:

Sam Villers.  
J. L. Price.  
J. C. Snodgrass.  
Jno. Welsh.

## Pine Grove:

William Nolan.

## Pentress:

C. F. Strosnider.  
Simon F. Foley.

W. M. Agnew.  
W. A. Wilhelm.

## Reader:

Frank Kidder.  
Mrs. J. North.

## Sugar Camp:

A. J. Davis.  
Chas. McLain.  
A. F. Randolph.

## Roanoke:

R. L. Hall.  
J. W. Ellis.  
Jas. Malia.

## Uniontown:

W. W. Postlewaite.  
Geo. Wisman.

## Rose Bud:

A. W. Rittenhouse.  
A. C. Swiger.  
J. H. Cunningham.  
Geo. H. Williams.

## Wallace:

T. B. Bates.  
Francis Robinson.  
E. A. Higginbotham.

## Ross:

W. W. Tustin.  
Simon King.

## Weston:

A. F. Clark.  
Lee Price.  
Ralph Turner.  
Fred Yates.  
Elias C. Fisher.  
Ralph M. Leland.  
J. A. Devar.  
John Hammer.  
W. J. Ward.

## Salem:

M. L. Campbell.  
M. S. Frye.  
C. L. Huston.  
E. F. Huston.  
Iven Hutson.  
Jamison Hutson.  
M. H. Hutson.  
W. O. Seckman.  
Geo. M. Golden.  
E. M. Stout.  
R. E. Allen.  
C. E. Davidson.  
N. F. Ford.  
Blaine Singer.  
Wm. Sterling.

## West Union:

W. S. Stinespring.

## Wolf Summit:

Ora Bennett.

## Wilbur:

J. S. Pratt.

## Worthington:

U. W. Hess.  
J. U. Parrish.

## Shirley:

J. E. Myer.

Shinnston:	Worthington:
S. C. Wagner.	B. F. Hess.
Sandy:	T. F. Sturm.
Isaac Ammons.	Mary C. Tetrick.
Joseph Chisler.	E. N. Heldreth.
Marion Tennant.	B. F. Davis.
R. F. Chisler.	Mary E. Glover.
Sedalia:	Jas. L. Heldreth.
W. Underwood.	Edna Hess.
	G. W. Starrett.
	R. F. Wood.

Manufacturers, etc. Supplied with Gas by the Philadelphia Company of West Virginia.

Name.	Location.
Hundred Milling Company, Flour Mill..	Hundred, W. Va.
J. A. Connelly, Stone Quarry.....	Littleton, W. Va.
Eureka Pipe Line Company, Pump Station	Lewis Co., W. Va.
Eureka Pipe Line Company, Pump Station	Shinnston, W. Va.
Calvin W. Kerr. ....	Littleton, W. Va.

Gas Companies Supplying Gas to the Public in Various Towns and Cities to Which Gas Is Furnished by the Philadelphia Company of West Virginia.

Name.	Location.
Wetzel Natural Gas Company.....	Hundred, W. Va.
The Fairmont & Grafton Gas Company..	Grafton, W. Va.
(Supplying 2,804 domestic consumers and 32 manufacturers).	
The Fairmont Gas & Light Company....	Fairmont, W. Va.
(Emergency service.)	
Philadelphia Company.....	Pittsburgh, Pa.

666 List of New Consumers Not Yet Tabulated as to Location.

Name.	Location.
W. J. Anderson.....	Kodal, W. Va.
W. O. Ball.....	Rosebud, W. Va.
C. B. Berry.....	Broomfield, W. Va.
Harvey Booher.....	Fallen Timber, W. Va.
Hood Brohard.....	Ross, W. Va.
J. J. Brookover.....	Amos, W. Va.
W. S. Brown.....	Sycamore, W. Va.
L. W. Cain.....	Salem, W. Va.
Thos. Carrico.....	Shinnston, W. Va.
Jos. Content.....	Rosebud, W. Va.
I. C. Cosgray.....	Glovergap, W. Va.



Name.	Location.
C. D. Cottrill.....	Centerpoint, W. Va.
J. E. Crowel.....	Weston, W. Va.
J. N. Curry.....	Burton, W. Va.
M. O. Davis.....	Camp, W. Va.
J. A. Debar.....	Weston, W. Va.
Jas. Dennison.....	Rosebud, W. Va.
Mrs. Ida Garner.....	Burton, W. Va.
R. E. Gassett.....	Rosebud, W. Va.
E. B. Glover.....	Mannington, W. Va.
Mary E. Glover.....	Worthington, W. Va.
J. E. Gary, "Special".....	Deep Valley, W. Va.
Silas E. Gochnour.....	Mineral, W. Va.
F. L. Harbert.....	Rosebud, W. Va.
A. L. Headley.....	Saybrook, W. Va.
Jessie H. Headley.....	Fairview, W. Va.
Wm. Hedge.....	Littleton, W. Va.
Wilford Hinchcliffe.....	Shirley, W. Va.
Georgia Ireland.....	Deer Valley, W. Va.
Archie Jackson.....	Antrim, W. Va.
F. D. Jones.....	Amos, W. Va.
Dalos Jordon.....	Mineral, W. Va.
Howard Kearns.....	Weston, W. Va.
Neal Keller.....	Worthington, W. Va.
John Kennedy.....	Wallace, W. Va.
N. S. Kinsley.....	Freemansburg, W. Va.
J. T. Lanham.....	Wallace, W. Va.
W. G. Lester.....	Freemansburg, W. Va.
J. J. Lough.....	Weston, W. Va.
T. E. Loy.....	Farmington, W. Va.
John M. Luning.....	Burton, W. Va.
Jas. McCormick.....	Fairmont, W. Va.
Wm. Marshall.....	Littleton, W. Va.
L. H. Michael.....	Worthington, W. Va.
Ollie Michael.....	Worthington, W. Va.
Presley Minor.....	Hundred, W. Va.
O. C. Moore.....	Amos, W. Va.
F. S. Morris.....	Bristol, W. Va.
Jos. T. Myers.....	Mannington, W. Va.
L. O. Parrish.....	Mannington, W. Va.
James Perkins.....	Joseph Mills, W. Va.
E. M. Pigott.....	Worthington, W. Va.
M. O. Polon.....	Blandville, W. Va.
John Reese.....	Broomfield, W. Va.
667 O. C. Richard.....	Reynoldsville, W. Va.
G. W. Robinson.....	New Milton, W. Va.
W. M. Rose.....	Smithfield, W. Va.
A. P. Shreve.....	Lowman, W. Va.
Jasper Shriver.....	Wadestown, W. Va.
Chas. H. Skinner.....	Weston, W. Va.
Hugh Smith.....	West Union, W. Va.

Name.	Location.
H. L. Smith.....	Broomfield, W. Va.
Jacob C. Smith.....	West Union, W. Va.
James Smith.....	Camp, W. Va.
P. A. Smith.....	Camp, W. Va.
Wm. Smith.....	West Union, W. Va.
Wm. Smith.....	Earnshaw, W. Va.
W. F. Smith.....	West Union, W. Va.
Ray Tomerville.....	Wolf Summit, W. Va.
G. H. Spray.....	Shirley, W. Va.
T. B. Spruce.....	Rosebud, W. Va.
Henry Sterling.....	Lowman, W. Va.
E. P. Stout.....	Freemansburg, W. Va.
Isaac Sturm.....	Worthington, W. Va.
Marion Tenant.....	Fairview, W. Va.
T. T. Toothman.....	Amos, W. Va.
S. T. Toothman.....	Mannington, W. Va.
Malinda Van Horn.....	Hundred, W. Va.
Ed Waggoner.....	Freemansburg, W. Va.
E. W. Waggoner.....	Freemansburg, W. Va.
Isaiah Weekley.....	Camp, W. Va.
N. Weekley.....	Mobley, W. Va.
J. W. Willey.....	Lowman, W. Va.
Fran Williams.....	Rosebud, W. Va.
Presley Williams.....	Kodal, W. Va.
Thos. Williams.....	Fairview, W. Va.
Mrs. N. F. Wilson.....	Mannington, W. Va.
John W. Wise.....	Wilbur, W. Va.
Ruben Wise.....	Wilbur, W. Va.
J. P. Wright.....	Worthington, W. Va.
D. F. Yonst.....	Mannington, W. Va.
F. A. Yost.....	Mannington, W. Va.
Festus Yost.....	Amos, W. Va.
L. J. Zirkle.....	Brown, W. Va.
Harrison Grubb.....	Worthington, W. Va.
W. J. Hibbs.....	Weston, W. Va.

## EXHIBIT "C."

Know all men by these presents:

That the Philadelphia Company of West Virginia, a corporation of the State of West Virginia, and the Citizens Trust and Guarantee Company of West Virginia, of Parkersburg, West Virginia are hereby and firmly bound unto W. M. Curry in the sum of One Thousand and No/100 (1,000.00) Dollars, lawful money of the United States of America, to be paid to the said W. M. Curry, his heirs, executors, administrators and assigns, to which payment, well and truly to be made, the said The Philadelphia Company of West Virginia and the

Citizens Trust and Guaranty Company of West Virginia bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

Witness the common seal of The Philadelphia Company of West Virginia and the hand of its President, and the corporate seal of said surety, this 17th day of June, A. D. 1912.

Whereas, the said The Philadelphia Company of West Virginia, under lawful authority, has surveyed a route for, and is about to construct a sixteen-inch pipe line for the transportation of natural gas from its Pump Station No. 18, Freemans Creek District, Lewis County, West Virginia, to connect with the sixteen-inch line on the Sarah Maloney farm in McClellan District, Doddridge County, West Virginia, over and upon, inter alia, certain lands of W. M. Curry situate in Union District, Harrison County, West Virginia, bounded by lands of H. Richards, B. F. Boner, E. D. Ferris et al., the route described being as follows, to-wit:

Beginning at the line of H. Richards, at a point S. 45° 45' E. 395 feet distant from Post, corner to B. F. Boner, H. Richards and W.

M. Curry; thence N. 19° 45' W., 224 feet to a point N. 10° 00' E., 273 feet to a point N. 10° 15' E., 59 feet to line of

B. F. Boner, at a point N. 32° 30' E., 309 feet distant from Post, corner aforesaid, a total distance of 556 feet.

And thence beginning again at the line of B. F. Boner, at a point S. 14° E., 80 feet from Stone, corner to E. D. Ferris, B. F. Boner and W. M. Curry.

Thence N. 5° 00' W., 71 feet to line of E. D. Ferris, at a point S. 86° 30' E., 17 feet distant from said corner.

A total distance of 71 feet.

And whereas, the said The Philadelphia Company of West Virginia is desirous of obtaining an easement or right of way over the said land twenty (20) feet in width, or ten (10) feet on each side of the above described center line, and is unable to agree with the said W. M. Curry upon the amount to be paid for the said right of way, and is condemning, under its power of eminent domain, the said right of way, in accordance with the provisions of the Act of 1907:

Now the condition of this obligation is such that if the above bounden The Philadelphia Company of West Virginia, its successors and assigns, or the said Citizens Trust and Guaranty Company of West Virginia, its successors and assigns, or either of them, shall and do well and truly pay, or cause to be paid unto the said W. M. Curry the damages he may sustain by reason of the construction of the said pipe line over the property aforesaid, and all the damages he may sustain by reason of the entering upon said land by The

Philadelphia Company of West Virginia, and shall pay all such sums as are by law payable by reason of the premises, then this obligation to be void; otherwise to be and remain in full force and virtue.

[SEAL.] THE PHILADELPHIA COMPANY OF WEST VIRGINIA.

By J. F. GUFFEY,  
President.

Attest:

W. B. CARSON,  
*Secretary.*

[SEAL.]      CITIZENS TRUST AND GUARANTY COM-  
PANY OF WEST VIRGINIA,

By WM. H. TAYLOR,  
*Its Attorney in Fact.*

Attest:

W. FRANK DENNISON,  
*Agent.*

(Here follow plans of survey of Philadelphia Co. of West Va.,  
marked pages 671-671½.)



**E. D. Ferris.**

**W. M. CURRY.**

**B. F. Boner**

**H. Richards**

Stone 326+41.4  
586-30 E  
325+70.6  
S 14° W  
323+00  
N 15° 30' W  
318+22.4  
317+73  
315+00  
312+76.4  
N 75° W  
319-24.2  
N 15° E  
308  
Post

**B. F. Boner**

W. M. CURRY.

H. Richards

Plan showing Survey of Philadelphia Co. of W. Va's.  
Pipe Line over lands of W. M. Curry, Union Dist. of

Harrison Co., W. Va.

Scale: 1" = 40 rods.

672 ("EXHIBIT D" WITH THE FOREGOING PETITION.)

W. M. Curry :

You are hereby notified that on the 22nd day of June, A. D. 1912, at 9 o'clock A. M., or as soon thereafter as counsel can be heard, The Philadelphia Company of West Virginia will present to Honorable Charles W. Lynch, Judge of the Circuit Court of Harrison County, West Virginia, at Clarksburg, West Virginia, for the approval of said Court, the bond of said Company, with surety, in the sum of One Thousand Dollars and no/100 (\$1,000.00), to secure to you the damage properly payable for an easement in your land situated in Union District, Harrison County, West Virginia, for the construction of a sixteen inch pipe line for the purpose of transporting natural gas.

A plan will be attached to said bond showing the route of the said pipe line over your land.

A petition will be presented at the same time and place, praying the Court, inter alia, that the said bond be approved; that the possession of the said easement be at once given to the petitioner, and that commissioners be appointed to determine the amount to be paid for said easement.

Unless exception to the form, amount of surety be filed within three (3) days after presentation, the said bond may be approved by the Court.

This 17th day of June, A. D. 1912.

THE PHILADELPHIA COMPANY OF  
WEST VIRGINIA,  
By DAVIS & DAVIS,  
*Counsel.*

673 STATE OF WEST VIRGINIA,  
*County of Harrison, ss:*

R. E. Clark, being duly sworn, deposes and says:

That he is the Agent of The Philadelphia Company of West Virginia, duly authorized by the said Company to agree, if possible, with the owners of land for easement in, on or over their land for

the construction of pipe lines for the purpose of transporting natural gas and failing to agree, to tender bonds to secure to the owners the payment of damages properly payable for such easements; and he further says that in pursuance of his duties, he, on the 17th day of June, 1912, called upon W. M. Curry of Union District, Harrison County, West Virginia, and then and there attempted to agree, in behalf of the said Company, with the said W. M. Curry as to the damage properly payable to him for an easement over certain land in Union District, Harrison County, West Virginia, for the construction of a sixteen-inch pipe line for the purpose of transporting natural gas on the lines, courses and distances described in the bond hereto annexed, but the said W. M. Curry refused to agree therefor, after he had offered to him the fair market price for said easement,



to-wit: the sum of Three Dollars per rod; that failing to agree then and there tendered the annexed bond to the said W. M. Curry to secure to him the payment of damages properly payable for such easement, but the said W. M. Curry refused to accept the said bond and that thereupon he served the annexed notice on the said W. M. Curry, on the 17th day of June, A. D. 1912, about the time of 2.30 o'clock P. M.

(Signed)

R. E. CLARK.

Sworn to and subscribed before me this 18th day of June, 1912  
(Signed)

S. P. CARNEY,  
Notary Public.

My Commission expires: January 26, 1921.

674 (Order. Entered June 22, 1912; Recorded in Law Order Book No. 36, Page 64.)

In the Circuit Court of Harrison County, West Virginia. In Vacation.

THE PHILADELPHIA COMPANY OF WEST VIRGINIA, a Corporation

vs.

W. M. CURRY et als.

Condemnation Proceeding.

This day came The Philadelphia Company of West Virginia, by counsel, and tendered to the judge of said Court, in vacation, its bond in the penalty of One Thousand Dollars (\$1,000.00) with Citizens Trust & Guaranty Company of West Virginia, a corporation, as surety, to secure W. M. Curry in the payment of any damages properly payable to him by reason of said The Philadelphia Company of West Virginia, taking possession of an easement or right of way through the lands of the said W. M. Curry, situate in Union District of Harrison County, West Virginia, for the purpose of constructing, operating and maintaining a pipe line for the transportation of natural gas, to which bond a plan is attached showing the route of the proposed line over said land; and at the same time tendered to the Court and asked leave to file its petition, duly verified, with the exhibits filed therewith, praying inter alia that the said bond be approved and that possession of the said easement be given to the said The Philadelphia Company of West Virginia; and in support of the said petition tendered and asked leave to file the affidavit of Robert E. Clark.

And it appearing from proper return thereof that five days' notice has been given by the said The Philadelphia Company of West Virginia to the said W. M. Curry that it would on this day  
675 present said bond to the Judge of said Court, which notice states the time and place for the presentation of said bond, and would also present its petition praying the court among other

things to approve the said bond and give immediate possession of the said easement to the said applicant, it is ordered that the said notice, said petition and exhibits and the said affidavit be and the same are hereby filed and this proceeding docketed.

On consideration whereof the Court is of opinion to approve the said bond unless within three days from this date the defendant shall except to the form, amount or surety of the said bond and file such exceptions with the Clerk of this Court. And to this end the further hearing of this proceeding is continued until the 29 day of June, 1912, in chambers.

Given under my hand this the 22nd day of June, 1912.

(Signed)

CHARLES W. LYNCH,

*Judge Circuit Court of Harrison County.*

To I. Wade Coffman, clerk:

Enter the foregoing order as a vacation order this 22nd day of June, 1912.

(Signed)

CHARLES W. LYNCH,

*Judge of the Circuit Court of  
Harrison County, West Virginia.*

676 (Order. Entered June 29th, 1912; Recorded in Law Order Book No. 36, at Page 69.)

In the Circuit Court of Harrison County, West Virginia. In Vacation.

THE PHILADELPHIA COMPANY OF WEST VIRGINIA, a Corporation,  
VS.

W. M. CURRY et als.

Condemnation Proceeding.

This day again came The Philadelphia Company of West Virginia, by counsel, and moved the Court for an order approving the bond heretofore tendered in this case, and asked that the same be filed for the benefit of the said W. M. Curry and of said applicant. And no exceptions to the form, amount or surety of said bond having been filed by the said W. M. Curry before the Clerk of this Court within the time specified by former order entered herein, and the said defendant having failed to appear the Court is of opinion to approve the said bond and both hereby approve the same. And it is ordered that the said bond, with the plan thereto attached be and the same is hereby filed for the benefit of the said W. M. Curry and of said applicant.

And the Court doth find and orders and directs that the petitioner, The Philadelphia Company of West Virginia, is a pipe line Company organized for the purpose of transporting carbon oil and

natural gas or both, and as such has the right to and may at any time, immediately if necessary, enter upon the said easement and right of way for the purpose of constructing the pipe line mentioned and described in said petition: which easement or right of way

is twenty (20) feet in width, or ten (10) feet on each side of the center line, which center line is described as follows:

Beginning at the line of H. Richards at a point S. 45° 45' E. 395 feet distant from a post, corner to B. F. Boner, H. Richards and W. M. Curry; thence N. 19° 45' W. 224 feet to a point; N. 10° 00' W. 273 feet to a point; N. 10° 15' W. 59 feet to the line of 30' E. 17 feet distant from said corner, being a total distance of 71 feet.

Given under my hand this the 29th day of June, 1912.

(Signed)

CHARLES W. LYNCH,  
*Judge of the Circuit Court of  
Harrison County, West Virginia.*

To I. Wade Coffman, clerk:

Enter the foregoing order as a vacation order this 29th day of June, 1912.

CHARLES W. LYNCH,  
*Judge of the Circuit Court of  
Harrison County, West Virginia.*

678 STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the foregoing are true, correct and complete copies of the petition and exhibits therewith filed on June 22, 1912, and of the orders made and entered on June 22, 1912 and June 29, 1912, in the condemnation proceeding of The Philadelphia Company of West Virginia, a corporation, versus W. M. Curry, lately pending in said Circuit Court of Harrison County, as the same remains of record in my said office.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 29th day of January, 1921.

[Seal of the Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN,  
*Clerk.*

STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, Haymond Maxwell, Judge of the Circuit Court of Harrison County, State of West Virginia, do certify that I. Wade Coffman, by whom the foregoing attestation was made, was, at the date thereof, Clerk of said court duly qualified and that the said attestation is in due form of law and made by the proper officer.

Witness my hand and seal on this the 31st Day of January, 1921.

HAYMOND MAXWELL. [SEAL.]

679 STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the Honorable Haymond Maxwell, by whom the above certificate was given and whose name is thereto subscribed in his own proper handwriting, was, at the date thereof, Judge of the said Circuit Court of Harrison County, duly commissioned and sworn and acting.

In witness whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31st day of January, 1921.

[Seal of the Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN,  
Clerk.

680 [Endorsed:] The Philadelphia Company of West Vir-  
ginia vs. W. M. Curry. Condemnation of Pipe Line Right  
of Way.

681 CARNEGIE V. SWIGER COND. W. VA. EX. 49.

EX. W. VA. NO. 49. O. L. H.

In the Circuit Court of Harrison County, West Virginia.

CARNEGIE NATURAL GAS COMPANY

v.

A. G. SWIGER et al.

Condemnation for Pipe Line Right of Way.

*Petition.*

Filed July 11, 1911.

To the Honorable Chas. W. Lynch, Judge of said Court:

The petition of the Carnegie Natural Gas Company respectfully represents;

1st. Your petitioner is a corporation organized under the laws of the state of Pennsylvania and authorized to do business in the state of West Virginia under the laws of said State, for the purpose of mining, boring, digging for or otherwise obtaining from the earth petroleum rock or carbon oils and natural gas and manufacturing, buying, selling and transporting the same in the crude and the refined states; for the purpose of constructing and maintaining lines

of tubing and piping for the transportation of such oils and gas or either of them, for the public generally as well as for the use of said corporation; for the purpose of transporting such oil or gas or either of them by means of such pipes and selling and supplying the same to others and generally for the purpose of doing such acts and carrying on such business as pertains to such works and improvements. Your petitioner is by virtue of the laws of said state of West Virginia a common carrier of natural gas; and is recognized by the administrative department of said state as the owner and operator of pipe lines within said state used for the transportation of gas for public use, and the said petitioner, as such pipe line company and public service corporation, regularly makes to the Board of Public Works of said state a return in writing required by Section 682 84 Chapter 29 of the code of said state; and the said petitioner is by said Board of Public Works duly and regularly assessed for taxes as such pipe line company and public service corporation. Its tax paid to the said state for such purpose during the year 1910 amounted to \$23,441.02.

2nd. Your petitioner since its incorporation and since receiving its authority to do business in the state of West Virginia, has been engaged in the business of producing and marketing natural gas and at present is supplying gas to 8 school houses, one church, 65 dwelling houses, 2 oil and gas companies, and 5 drilling contractors within the state of West Virginia, a true and correct list of which consumers is attached hereto and made part hereof, marked Exhibit "A;" that your petitioner is also supplying gas to 770 customers outside of said state of West Virginia.

3rd. Your petitioner is constantly increasing the number of its consumers and it is desirous of largely increasing its sales of gas in the various counties of West Virginia traversed by its lines. Your petitioner is ready and willing to sell gas to all parties within reaching distance of its pipe lines who apply for the same at reasonable fixed rates which are in general effect throughout the state of West Virginia, and which rate is as follows: 25 cents per thousand cubic foot of gas; also flat rate of \$1.50 per month for one fire. Your petitioner being a public service corporation as hereinbefore stated is ready and willing to furnish gas at all times to the public, as aforesaid.

4th. Your petitioner is the owner of seven producing gas wells in and about Logansport in Harrison County, West Virginia, and desires to connect said gas wells with the main pipe line of your petitioner near Dola in said Harrison County. The only practical route from said gas wells to said main pipe line, passes through the lands of A. G. Swiger, hereinafter more particularly described.

683 Your petitioner is now and has been paying rentals on said gas wells amounting to \$2,500.00 per year, and has been getting no gas for the reason that it has had no pipe line through which to transport same, while the gas from said wells is being drained by other gas wells upon other and neighboring lands.

5th. Desiring to construct such pipe line as aforesaid, the officers of the said Carnegie Natural Gas Company, your petitioner, provided for the construction of a pipe line from the said seven wells near Logansport, Harrison County, West Virginia, to the main line of your petitioner at or near Dola, for the purpose of transporting gas from said seven wells and furnishing and selling said gas to such persons within and without the state of West Virginia as might desire the same.

6th. In compliance with said order the Carnegie Natural Gas Company, your petitioner, had a survey made of the said proposed pipe line, which survey was adopted by the said Company and determined upon as the route best adapted to the Company's purposes, and was located so that the same does not pass within one hundred feet of any occupied dwelling house, nor does it take nor pass through any dwelling house, yard or garden, nor does it lie wholly or in part in any municipal corporation. The only pipe line which your petitioner intends to lay upon said route will be six inches in diameter; will be used exclusively for the transportation of natural gas; it is necessary to supply with gas the aforesaid consumers and such new consumers within said county and state and elsewhere as your petitioner expects to secure in the near future; and it will be buried under the surface of the ground to such a depth as not to interfere with the use of the land for agricultural purposes.

7th. The said proposed pipe line passes over and upon land belonging to A. G. Swiger, situate in Eagle District, Harrison County, West Virginia, and bounded as follows: On the north by lands of J. N. Swiger and J. C. Bartlett, on the east by lands of C. D. Robinson, on the south by lands of Josephine Swiger heirs, A. G. Swiger and others, and on the west by lands of Omer Swiger, S. R. Michael and others, and the route of said pipe line through said land of A. G. Swiger is described as follows: beginning in the division line between the said land of A. G. Swiger and the land of C. G. Robinson 264 feet distant from the north end of said division line, which north end is a stake corner between said Robinson and Swiger and 99 feet distant from a stone corner to said C. D. Robinson and A. G. Swiger at the southern end of said division line, thence through the lands of said A. G. Swiger N.  $84^{\circ} 25'$  W. 1,268 feet to a stake, thence N.  $71^{\circ} 50'$  W. 603 feet to a stake, thence S.  $84^{\circ} 35'$  W. 304 feet to a stake, thence S.  $62^{\circ} 35'$  W. 405 feet to a stake, thence S.  $54^{\circ}$  W. 208 feet to a point in the division line between the lands of said A. G. Swiger and S. R. Michael, which point is  $346\frac{1}{2}$  feet distant from the southern end of said division line and 106 feet distant from the northern end of said division line, which northern end is a white oak corner tree between said Swiger and Michael, a total distance of 2,788 feet. No oil tank, station or building is to be erected or placed upon any part of the said premises sought to be taken by the petitioner.

8th. Your petitioner attempted to purchase from said A. G. Swiger an easement or right of way over his lands for the purpose of con-

structing thereon a pipe line as above described for the transportation of gas along the route aforesaid, and your petitioner offered to said A. G. Swiger a fair market price for the said easement, and through its agent, F. M. Kellar, made a- offer in writing to the said A. G. Swiger, and offered him the sum of \$225.00 for such easement and right of way, and in said writing made a tender of such sum for such purpose, but the said A. G. Swiger would not agree with  
685 your petitioner upon the damage properly payable for such easement, and would not agree with your petitioner upon a fair price for such easement and right of way, and refused to accept said offer of \$225.00 for said easement and right of way, and refused to accept said sum so tendered to him for such purpose, and has refused to give and grant to your petitioner a right of way or easement for said pipe line; your petitioner thereupon, through its agent F. M. Kellar, tendered to the said A. G. Swiger a bond executed by petitioner, Carnegie Natural Gas Company, in the sum of \$700.00 with the Fidelity Trust and Deposit Company of Maryland as surety, together with a plan attached thereto showing the location of said proposed pipe line in accordance with the terms of the act of the legislature of West Virginia in such cases made and provided, which bond with plan attached thereto is herewith filed made part hereof, marked Exhibit "B". The said Fidelity Trust & Deposit Company of Maryland, is a trust company duly authorized under the laws of West Virginia, and doing business in said state; the said company has in all respects complied with the requirements of said state, and is and has for many years been amply solvent and well able to perform all of its obligations, and the said company is in fact a good and sufficient security for the bond above mentioned. Said written offer and tender made by your petitioner to said A. G. Swiger hereinbefore set forth is herewith filed, marked Exhibit "C" and made part hereof.

9th. The said A. G. Swiger refused to accept the said bond and thereupon said F. M. Kellar on the — day of July, 1911, served upon the said A. G. Swiger a notice that the said bond would be presented to court to be approved and filed for his benefit on the 11th day of July, 1911, a copy of which notice together with proof  
686 of service sent out is herewith filed, made part hereof, and marked Exhibit "D".

10th. The said A. G. Swiger is the sole owner of the land hereinbefore described over which said right of way is proposed to be taken by your petitioner. The only liens on said real estate are th following: vendor's lien reserved in deed of Elisha P. Hall and wife to A. G. Swiger bearing date of 30th day of April, 1888, and recorded in the office of the Clerk of the County Court of Harrison County, West Virginia, in Deed Book No. 74, page 332, and vendor's lien in deed of John T. Swiger to A. G. Swiger, bearing date of 29th day of September, 1891, and recorded in said County Clerk's office in Deed Book No. 83, page 506. That the only claims against said real estate are the following: the Hope Natural Gas Company is the



owner of oil and gas rights upon said land by virtue of a lease from said A. G. Swiger, bearing date of 21st day of December, 1908, and recorded in said County Clerk's office in Deed Book No. 176, page 162. Your petitioner is informed and believes that the Swiger Coal Company is the owner of certain coal rights in said lands, the nature of which is unknown to your petitioner. The said Swiger Coal Company is a corporation organized under the laws of the state of West Virginia. There are no other liens against said real estate nor conflicting claims thereto. The said John T. Swiger has departed this life and J. Allen Swiger was appointed his administrator by the County Court of Harrison County, West Virginia, and duly qualified as such according to law. Your petitioner also caused to be served upon the said Elisha P. Hall, J. Allen Swiger, Administrator of John T. Swiger, deceased, Hope Natural Gas Company and Swiger Coal Company the same notice that was served upon said A. G. Swiger aforesaid, as will appear from the return endorsed upon the back of said notice, marked Exhibit "D".

11th. Petitioner avers that the pipe line which it proposes to build is an internal improvement for public use; that delay in securing said right of way will interfere with the proper development of its gas territory in this vicinity, and will interfere with the performance of its duty to the land owners who have made oil and gas leases to your petitioner, and will also injuriously delay its consumers in obtaining the necessary supply of gas. Your petitioner further avers that no other market is available for the product of the aforesaid seven wells near Logansport in said Harrison County, and that said wells are at present and have been for a long period of time shut in because of the fact that their products cannot be market without use of the pipe line hereinfore described.

12th. Your petitioner under the law has the right to acquire and make the said right of way or easement in and by this petition, application and bond.

Wherefore, your petitioner prays this Honorable Court to approve said bond and to direct that the same be filed for the benefit of the said A. G. Swiger, and for the benefit of said Elisha P. Hall, J. Allen Swiger, Administrator of John T. Swiger, deceased, Hope Natural Gas Company and Swiger Coal Company, if they or any or either of them are entitled to any benefit, in accordance with the act of the Legislature of West Virginia in such cases made and provided. Your petitioner further prays that it be allowed to enter upon said easement through the lands of said A. G. Swiger as soon as the said bond has been approved, for the purpose of constructing a pipe line without delay; your petitioner further prays that commissioners may be appointed by this court to ascertain a just compensation to said A. G. Swiger, and to said Elisha P. Hall, J. Allen Swiger, Administrator of John T. Swiger, deceased, Hope Natural Gas Company and Swiger Coal Company, if they are entitled to any compensation, for the use of said easement or right of way over, in and upon the lands hereinbefore described and proposed to

be taken by your petitioner for the purpose and use aforesaid, and that such proceedings may be had in the premises as conform to law. And petitioner prays for such other further and general relief as the nature of its case may require. And it will ever pray, etc.

(Signed) ' CARNEGIE NATURAL GAS COMPANY,  
By HALL & HALL,  
Counsel.

HALL & HALL,  
Attorneys for Petitioner.

STATE OF PENNSYLVANIA,  
Allegheny County, To wit:

Norwood Johnston, being duly sworn, says that he is the Vice-President of the Carnegie Natural Gas Company, a corporation, the petitioner named in the foregoing petition, and that he knows the contents thereof; that the facts and allegations therein contained are true, except such as are therein stated upon information and belief, and that as to such allegations he believes them to be true.

(Signed) NORWOOD JOHNSTON,  
Vice-President of the Carnegie  
Natural Gas Company, a Corporation.

Taken, sworn to and subscribed before me, in the county of Allegheny and state of Pennsylvania, this 8th day of July, 1911.

[Official Seal.]

(Signed) HENRY T. HAMILTON,  
Notary Public in and for  
Allegheny County, Pennsylvania.

My commission expires March 3, 1915.

689 STATE OF PENNSYLVANIA,  
Allegheny County, To wit:

I, Wm. B. Kirker, Clerk of the Common Pleas Court in and for said county, which court is a court of record, having a seal, do hereby certify that Henry T. Hamilton, before whom the foregoing verification or proof of the foregoing petition was taken was, at the time of taking the same, a notary public residing and authorized to act in said county, and was duly authorized by the laws of said state to take and administer oaths in said county and state and to certify to the same, and further that I am well acquainted with the hand writing of the said Henry T. Hamilton and that I verily believe that the signature to said verification and proof is genuine.

In testimony whereof, I have hereunto set my hand and affixed the seal of the said court, this 8th day of July, 1911.

[Official Seal.] (Signed) WM. B. KIRKER,  
Clerk of the Common Pleas Court  
of Allegheny County, Pennsylvania.

(EXHIBIT "A" FILED WITH THE PETITION.)

*List Consumers Using Gas and Supplied by Carnegie Natural Gas Company of Pittsburgh, Pennsylvania.*

Earnshaw, West Virginia:

U. R. Horner,  
M. Teagarden,  
W. S. Kern,  
Frank Smith,  
F. B. Smith,  
J. T. Hughes,  
R. L. Hughes,  
Frank Hupp,  
Ben Earnshaw,  
Simon Higginbotham,  
W. E. Higginbotham,  
Oliver McGill,  
Carneys School # 2,  
Cottentown " # 4,  
Round Bottom " # 7,  
Rock Camp " # 8,  
Earnshaw " # 10,  
S. S. Teagarden " # 14,  
Christian Church.

Wadestown, West Virginia:

Mt. Tabor School,  
St. Cloud School.

Burton, West Virginia:

Geo. M. Stockdale.

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Hundred, West Virginia:

T. J. White,  
W. O. Spitznogle,  
W. B. Durbin,  
F. M. Anderson,  
Wm. Wright,  
Rex Milliken,  
Spencer Main,  
S. S. Teagarden,  
Chas. Kimble,  
Nat. Kennedy,  
A. Hixenbaugh,  
John Taylor,

Mannington, West Virginia:

R. E. Dodd.

Farmington, West Virginia:

E. L. Criss,  
J. W. Efaw,  
Isaac Kuhn,  
Peter Henigen,  
L. B. Kerr,  
Walter Eby,  
Ben Stewart.

St. Cloud, West Virginia.

D. A. Six,  
S. W. Gilmore,  
M. L. White,  
J. L. White,  
Chas. White,

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E. E. White,  
Oliver Ross,  
J. G. White.

Smithfield, West Virginia:

C. L. Bock,  
J. H. Bock.

Folsom, West Virginia:

John Robinson,  
Mrs. Criss Bates,  
Artie Dye,  
Lee Bates,  
F. A. Miller,  
Jas. Cairns.

Atwood, West Virginia:

Dora McHenry,  
Atwood School.

Maple, West Virginia:

John Stiles,  
Mary A. White,  
Jno. & S. L. White,  
Geo. M. Six,  
J. L. Smith.

**CHART**

**TOO**

**LARGE**

**FOR**

**FILMING**



Dola, West Virginia:

H. E. Cayton,  
B. Hall.

Rivesville, West Virginia:

Ellis Eddy.

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Sedalia, West Virginia:

Jas. A. Garrett.

Reader, West Virginia:

W. F. Burgess.

Hero, Pennsylvania:

L. C. Billingsley.

Jollytown, Pennsylvania:

Minor Thomas,  
Eliza Thomas,  
Henderson Thomas.

Also, to N. S. Snyder & Company, gas supplied to pump Satterfield Well, #1, Mannington District, Marion County, W. Va.

The Philadelphia Gas Company to pump Barney Benner, #1, Battelle District, Monongalia County, W. Va.

And, the following Contractors, for drilling other than the Carnegie Natural Gas Companies' wells.

Weston, West Virginia:

George Hatzel.

Shinnston, West Virginia:

S. W. Barnhart.

Clarksburg, West Virginia:

J. W. Agnew,  
Barris & Harkness.

Bellevue, Penna.:

C. W. McCall.

(Here follows map showing proposed 6" gas line through lands of A. G. Swiger, marked page 693a.



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(EXHIBIT "B" FILED WITH THE PETITION.)

Know all men by these presents, that we, the Carnegie Natural Gas Company a corporation, principal, and Fidelity and Deposit Company of Maryland sureties, are held and firmly bound unto A. G. Swiger in the just and full sum of (\$700.00) Seven Hundred Dollars, to the payment whereof well and truly to be made to the said A. G. Swiger, as aforesaid, we bind ourselves, our executors, administrators and assigns, jointly and severally, firmly by these presents. Sealed with our seals and dated this 16th day of March, 1911.

The condition of the above obligation is such, that whereas the above bound and named, Carnegie Natural Gas Company, is desirous of securing an easement for a right of way over the lands of the said A. G. Swiger, situate in Eagle District, Harrison County, West Virginia, for the purpose of laying and constructing a pipe line for the purpose of transporting natural gas and constructing telegraph and telephone lines,—a plan or plat of which easement and right of way is attached to and made a part of this bond,—and marked for identification exhibit "A." And whereas the said Carnegie Natural Gas Company has attempted to agree with said Swiger upon a price or upon the damages, or both for said easement or parcel of land. And whereas said company and said Swiger have failed to agree upon the said price and damages. And whereas said gas company is desirous of taking possession of said parcel of land or easement at once for the purpose of laying a pipe line upon the same, as provided by Section 20 of chapter 74 of the Acts of 1907 of West Virginia, in advance of the fixing of the said damages or price, in the manner provided by said chapter.

Now, therefore, if the said Carnegie Natural Gas Company shall pay to said A. G. Swiger any and all damages which he might sustain or incur by reason of said Carnegie Natural Gas Company taking possession of said easement and right of way and laying a pipe line upon the same, then the above obligation to be void, otherwise to remain in full force and effect.

(Signed) CARNEGIE NATURAL GAS CO., [SEAL.]

By S. W. MEALS,

*Div. Supt.*

FIDELITY AND DEPOSIT CO. OF MD.,  
WILLIAM H. TAYLOR,

*Attorney in Fact.*

Attest:

[SEAL.] R. N. JENKINS,

*Agent.*

STATE OF WEST VIRGINIA,  
*County of Wetzel, To wit:*

F. M. Kellar, being duly sworn, deposes and says: That he is the Agent of the Carnegie Natural Gas Company, duly authorized by

and Company to agree, if possible, with the owners of land for an easement in, on and over their lands for the construction of pipe lines for the purpose of transporting natural gas, and failing to agree, to tender bonds to secure the owners the payment of damages properly payable for such easement; and he further says that in pursuance of his duties, he, on the 17th day of March, 1911, called upon A. G. Swiger of Eagle District, in the County of Harrison and State of West Virginia, and then and there attempted to agree, on behalf of the said Company, with the said A. G. Swiger, as to the damage properly payable to him, for an easement in his land, situate in Eagle District, in the County of Harrison and State of West Virginia, for the construction of a six inch pipe line, on the lines, courses and distances described in the bond hereto annexed, but that the said A. G. Swiger refused to agree therefor; that afterwards on the same day he offered to the said A. G. Swiger the fair market price for said easement, to-wit, the sum of two Hundred and Twenty Five Dollars; that failing to agree he, on the 14th day of June, 1911, in the District of Eagle and County of Harrison and State of West Virginia, tendered the annexed bond to the said A. G. Swiger to secure him in the payment of damages properly payable for such easement, but that the said A. G. Swiger refused to accept said bond; and that thereupon he served the annexed notice on the said A. G. Swiger on the day, month and year last above written.

(Signed)

F. M. KELLAR.

Taken, sworn to and subscribed before me in the County of Wetzel and state of West Virginia, this 15th day of June, 1911.

(Signed)

J. B. WHITE,

*Notary Public in and for  
Wetzel County, West Virginia.*

My commission expires Dec. 18" 1919.

EXHIBIT "COPY OF CERTIFICATE OF CARNEGIE NATURAL GAS COMPANY TO DO BUSINESS IN WEST VIRGINIA."

Filed August 15, 1911.

State of West Virginia.

*Certificate.*

I, Wm. O. Dawson, Secretary of State of the State of West Virginia, do hereby certify that the Carnegie Natural Gas Company, a corporation created and organized under the laws of the State of Pennsylvania, has this day presented to me in my said office, duly certified copies of the original articles of association and the amendments thereto, granted by the said state of Pennsylvania, together with a certified copy of the laws of the State last aforesaid under which the said Company was incorporated, and thereupon the fore-

going are each and all filed in this office, in compliance with section 30 of chapter 54 of the Code of West Virginia.

Given under my hand and the Great Seal of the said State, the City of Charleston, this Fourth day of May 1899.

[G. S.]

(Signed)

STUART F. REED,  
*Secretary of State.*

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State of West Virginia.

*Certificate.*

I, Stuart F. Reed, Secretary of State of the State of West Virginia, do hereby certify that the foregoing is a true, full and correct copy of the certificate issued by the Secretary of State of the State of West Virginia, authorizing the Carnegie Natural Gas Company to hold property and transact business in the State of West Virginia as appears from the records of my said office.

Given under my hand and the Great Seal of the said State, the City of Charleston, this Second day of August 1911.

(Signed)

[G. S.]

STUART F. REED,  
*Secretary of State.*

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(EXHIBIT "D" FILED WITH THE PETITION.)

To A. G. Swiger, Elisha P. Hall, J. Allen Swiger, administrators of John T. Swiger, deceased; Hope Natural Gas Company, and Swiger Coal Company:

You are hereby notified that on the 11th day of July, 1911, at 9:00 o'clock, a. m., or as soon thereafter as counsel can be heard, the Carnegie Natural Gas Company, a corporation, will present to Charles W. Lynch, Judge of the Circuit Court of the County of Harrison and State of West Virginia, at the Court House of Lewis County, West Virginia, in the town of Weston, Lewis County, West Virginia, during the vacation of the Circuit Court of said Harrison County, for approval by said court, a bond of the said Carnegie Natural Gas Company, with surety, in the sum of Seven hundred dollars, to secure you and each of you the damage properly payable for an easement in the land of said A. C. Swiger, situate in Eagle District, Harrison County, West Virginia, for the construction of a six inch pipe line for the purpose of transporting natural gas.

A plan is attached to said bond showing the route of the proposed pipe line over said land.

A petition will be presented, at the same time and place, to the court, praying, inter alia, that the said bond be approved and that possession of said easement be given to the petitioner.

Unless exceptions to the form, amount or surety of said bond be filed within three days after presentation, said bond shall be approved by the court.

This 1st day of July, 1911.

(Signed) CARNEGIE NATURAL GAS COMPANY,  
By HALL & HALL,  
*Its Attorneys.*

701 STATE OF WEST VIRGINIA,  
*Wetzel County, to wit:*

This day personally appeared berfore me, the undersigned authority, F. M. Kellar, who, after being duly sworn, upon oath says that he executed the within notice on the within named A. G. Swiger and J. Allen Swiger, administrator of John T. Swiger, deceased, by delivering a true copy thereof to each of them, in the county of Harrison and State of West Virginia, on the 5th day of July, 1911; and that he executed the within notice on the within named Elisha P. Hall by delivering a true copy thereof, at his usual place of abode, to Lizzie Murphy, his daughter, who is a member of the family of the said Elisha P. Hall and above the age of sixteen years, and giving information of its purport to her, the said Elisha P. Hall being absent and not found and his wife not being found there, in the County of Harrison and State of West Virginia, on the 5th day of July, 1911; and that he executed the within notice on the within named Swiger Coal Company, a corporation, by delivering a true copy thereof to A. Gilbert Siger, attorney in fact for said Swiger Coal Company, a corporation, and the person appointed pursuant to law to accept service of process of said corporation, in the County of Harrison and State of West Virginia, the said County of Harrison being the county in which the said A. Gilbert Swiger resides, on the 5th day of July, 1911.

(Signed)

F. M. KELLAR.

Taken, sworn to and subscribed before me in the County of Wetzel and State of West Virginia, this 7th day of July, 1911.

(Signed)

L. S. HALL,  
*Notary Public in and for  
Wetzel County, West Virginia.*

My commission expires December 31st, 1919.

702 I, M. J. Rathbone, Attorney in fact for Hope Natural Gas Co., appointed pursuant to law for the purpose of accepting service of process against said corporation, hereby accepts service of the within process, in the County of Wood, State of West Virginia, which County of Wood is the County wherein I reside.

This, the 6th day of July, 1911.

(Signed)

M. J. RATHBONE,  
*Attorney in Fact for Hope Natural Gas Co.*

## CARNEGIE NATURAL GAS COMPANY

VS.

A. G. SWIGER et al.

Upon Condemnation.

*(Order Entered Sept. 29, 1911.)*

The court having maturely considered the motion of defendants A. G. Swiger and the Swiger Coal Company made at a former day, for a continuance in order that they might be given further time to take additional testimony, which motion was supported by the affidavit of Charles G. Coffman, which was heretofore tendered and lodged with these papers, and is now filed, and is marked for identification "Affidavit of Charles G. Coffman relative to taking depositions of Norwood Johnson et als.," doth overrule the same, to which ruling of the court the said defendants except. Thereupon this proceeding came on to be further heard upon the pleas heretofore filed, issues joined thereon, upon the testimony taken upon the part of the petitioner, and upon the part of the defendants A. G. Swiger and the Swiger Coal Company, and upon all motions of whatever nature made by any of the defendants, heretofore. On consideration of said matters, and of the bond heretofore filed by the petitioner, Carnegie Natural Gas Co., with its petition, the court is of the opinion and doth find that the petitioner has the right to condemn in this proceeding, for the purposes set forth in its petition, the right of way and easement which it seeks to condemn herein, and which is fully described in the petition of said Carnegie Natural Gas Company, and the plat and bond filed heretofore herein. Thereupon the defendants A. G. Swiger and the Swiger Coal Company made a motion that the amount of the bond be ascertained by a jury, which motion the court overruled, to which ruling of the court the said defendants A. G. Swiger and the Swiger Coal Company except. The court is further of the opinion to, and doth hereby approve the bond heretofore tendered by the said Carnegie Natural Gas Co., the court finding the same sufficient in all particulars. And the court directs

704 that the said bond, with the plan thereto attached, be filed for the benefit of the owner, A. G. Swiger, and said Carnegie Natural Gas Company, and doth find, order and direct that the petitioner, Carnegie Natural Gas Company, has the right to, and may at any time, immediately, if necessary, enter upon said easement and right of way for the purpose of constructing the pipe line mentioned and described in the said petition of said Carnegie Natural Gas Company, which easement or right of way is described as follows: Beginning in the division line between the land of A. G. Swiger and the land of C. D. Robinson, 264 feet distant from the north end of said division line, which north end is a stake corner between said Robinson and said Swiger, and 99 feet distant from a stone corner to said C. D. Robinson and said A. G. Swiger at the southern end of said

division line, thence through the alnds of said A. G. Swiger N. 84 degrees, 25 Min. W. 1,268 feet to a stake thence N. 71 degrees 50 min., W. 603 feet to a stake thence S. 84 degrees and 35 min. W. 304 feet to a stake, thence S. 62 degrees and 35 min. W. 405 feet to a stake, thence S. 54 degrees W. 308 feet to a point in the division line between the lands of said A. G. Swiger and S. R. Michael, which point is  $346\frac{1}{2}$  feet distant from the southern end of said division line, and 106 feet distant from the northern end of said division line, which northern end is a white oak corner tree between said Swiger and said Michael, making a total distance of 2,788 feet; and the said easement or right of way passes over a certain tract of land of said A. G. Swiger, situate in Eagle District, Harrison County, West Virginia, which said tract is bounded as follows, to-wit: on the north by lands of J. N. Swiger and J. C. Bartlett, on the east by lands of C. D. Robinson, on the south by lands of Josephine Swiger heirs, A. G. Swiger and others, and on the west by lands of Omar Swiger, S. R. Michael and others.

705 To which rulings of the court in finding and adjudging that the petitioner Carnegie Natural Gas Company had the right to condemn said right of way and easement, and of the court in approving the said bond tendered by said Carnegie Natural Gas Company, and in adjudging that said Company had the right to enter upon said easement or right of way for the purpose of laying pipe line thereon, the defendants, A. G. Swiger and Swiger Coal Company except.

Thereupon A. G. Swiger and the Swiger Coal Company moved the court for a rehearing of its findings and judgments in relation to the motion for a continuance, the right to condemn by the plaintiff, the approval of the bond tendered by plaintiff, and the right of the plaintiff to enter upon the lands of said A. G. Swiger, which motion is overruled, to which ruling of the court the said A. G. Swiger and the Swiger Coal Company object and except.

The defendants A. G. Swiger and Swiger Coal Company indicating a desire and intention to apply for an appeal and supersedeas in this proceeding, this order is suspended for a period of thirty days from the rise of this court for the purpose of allowing them to make application to the Supreme Court for said appeal and supersedeas. But this suspension is granted upon condition that the said A. G. Swiger and the Swiger Coal Company, or some one for them file with the Clerk of the Court a suspending bond in the penalty of five hundred dollars, conditioned according to law, within five days from this date, with good and sufficient surety, to be approved by the Clerk of this Court.



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# **CARD 25**



706 (*Mandate of Supreme Court, May 27, 1913, Affirming Order of the Circuit Court. Recorded in Law Order Book No. 3 Page 382.*)

STATE OF WEST VIRGINIA:

At a Regular Term of the Supreme Court of Appeals, Continued and Held at Charleston, Kanawha County, May 27, 1913, the Following Order was Made and Entered, To Wit:

Absent: Judge Lynch.

CARNEGIE NATURAL GAS COMPANY, Plaintiff Below, Defendant in Error,

vs.

A. G. SWIGER et als., Defendants Below; A. G. SWIGER and SWIGER COAL COMPANY, Plaintiffs in Error.

Upon a writ of error and supersedeas to three judgments of the Circuit Court of Harrison County, rendered on the 18th day of July, 1911, the 8th day of August, 1911, and the 29th day of September, 1911, respectively.

The Court, having maturely considered the transcript of the record of the judgments aforesaid and the arguments of counsel thereon, is of opinion, for reasons stated in writing and filed with the record, that there is no error in said judgments. It is therefore considered by the Court that the judgments of the Circuit Court of Harrison County, rendered in this case on the 18th day of July, 1911, the 8th day of August, 1911, and the 29th day of September, 1911, respectively, be and the same are hereby affirmed, and that the defendant in error do recover from the plaintiffs in error thirty dollars damages and its costs about its defense in this Court in the behalf expended; all of which is ordered to be certified to the Circuit Court of Harrison County.

707 The decision of points in the foregoing case, as the same appears from the syllabus and written opinion prepared by Judge Miller, was concurred in by Judges Poffenbarger, Robinson and Williams.

A true copy.

Attest:

(Signed)

WM. B. MATHEWS,  
Clerk.

*Taxation of Costs.*

In the Supreme Court of Appeals of West Virginia.

CARNEGIE NATURAL GAS CO., D. E.,

vs.

A. G. SWIGER et als., P. E.

Affirmed May 27, 1913.

Plaintiff in Error's Costs.

Clerk .....	\$5.20
Printing Record .....	.....
Clerk of Circuit Court for Transcript .....	100.00
Sheriff, Serving process .....	.....
Sheriff, Serving notice .....	.....
Order of Publication .....	.....
Attorney .....	.....
Total .....	.....

Defendant in Error's Costs.

Clerk, paid by Hall & Hall, Attys. ....	\$3.80
Printing record paid by Carnegie Nat. Gas Co. ....	207.00
Clerk of Circuit Court-suppl transcript. ....	.....
Sheriff Harrison Co. serving notice. ....	1.50
Damages, Code Chap. 135, Sec. 27. ....	30.00
Attorney .....	30.00
Total .....	.....

Attest:

(Signed)

WM. B. MATHEWS,

*Clerk.*708 (Order Entered February 7, 1914; Recorded in Law Order  
Book No. 35, Page 58.)

CARNEGIE NATURAL GAS COMPANY

vs.

A. G. SWIGER et als.

Condemnation.

It appearing to the court that the commissioners heretofore appointed in this cause, returned their report to the clerk's office of this court on the 8th day of January, 1914, which report is ordered to be

and the same is filed herein. Thereupon came the defendant, A. G. Swiger, by his counsel, as well as Carnegie Natural Gas Company, by its counsel, and the said Swiger moved the court to set aside said report and recommit this cause to the same commissioners or to new commissioners selected according to law, and tendered and offered to file herein to support said motion, the affidavits of D. W. Kemper, Isaac L. Davisson and Marion T. Cunningham, which affidavits having been seen and inspected by the court are ordered to be and the same are hereby filed, and Carnegie Natural Gas Company by its counsel resisted said motion.

Upon consideration whereof, the court is of the opinion to and doth sustain said motion; and it is therefore ordered that said report be and the same is hereby set aside and that this cause be and the same is hereby recommitted to a new set of commissioners, to be ascertained according to law.

Thereupon, the court doth hereby nominate thirteen disinterested free holders of this county, to wit: Emery F. Monroe, T. J. Parrish,

C. E. Rogers, Henry Bennett, Jefferson Robinson, J. Fred 709 Dye, James F. Griffin, Marcus L. Riblett, Cree M. Bartlett,

Lee Boggess, Ferd Gore, Temple Smith and Clarence T. Harbert. And the petitioner, Carnegie Natural Gas Company, and defendant, Swiger, proceeded by counsel to ascertain, as provided by law, five of said thirteen free-holders to act as commissioners, which lot and choice fell upon the following named persons, to wit: Emery F. Monroe, Jefferson Robinson, Cree M. Bartlett, Ferd Gore and Clarence T. Harbert. And therefore, it is ordered by the court that the said five free-holders so selected to act as commissioners, after having been sworn according to law, do proceed with all convenient speed to view said premises and hear any proper evidence offered, and ascertain according to law, what will be a just compensation to the parties entitled thereto, for said right-of-way or easement proposed to be taken by the said applicant, that is to say, an easement or right-of-way for the construction, operation and maintenance of a pipe line, six inches in diameter, for the transportation of natural gas, to be laid on the line of said right-of-way as now located by courses and distances set out in a former order entered herein, including as well the damages, if any, to the residue of said real estate, on account of the work to be constructed. But deducting therefrom, the peculiar benefits, if any, to be derived in respect to such residue from the work to be constructed, and that the said commissioners do make report of their proceedings to this court in the manner required by law. But before said commissioners shall act, three days' notice in writing shall be served upon the defendant, A. G. Swiger, or his attorney of record.

710 (Order Entered May 8, 1914; Recorded in Law Order Book  
No. 37, Page 112.)

In the Circuit Court of Harrison County, West Virginia.

CARNEGIE NATURAL GAS COMPANY

VS.

A. G. SWIGER et als.

Condemnation.

This day came the Carnegie Natural Gas Company by its counsel, as well as A. G. Swiger by his counsel, and reported to the Court that an agreement had been reached by the respective parties, relative to the amount of compensation for the easement or right-of-way proposed to be taken by said applicant heretofore adjudicated, as well as for damages to the residue of said land beyond the peculiar benefits which will be derived in respect to such residue from the work to be constructed; and that said amount for the purposes aforesaid, shall take the place and be in lieu of an assessment by the commissioners heretofore appointed, and the same to be in full force and effect as if ascertained and reported by said commissioners, and the amount thereof and the purposes therefor as follows, to-wit: Four Hundred & Twenty-two and 40/100 Dollars will be a just compensation for the easement or right-of-way proposed to be taken by the said applicant, that is to say, an easement or right-of-way for the construction, operation and maintenance of a pipe line, six inches in diameter, for the transportation of natural gas, to be laid on the line of said right-of-way, as now located, said line being designated as follows, to-wit:

Beginning in the division line between the land of A. G. Swiger and the land of C. D. Robinson, 264 feet distant from the north end of said division line, which north end is a stake corner between said Robinson and said Swiger, and 99 feet distant from a stone corner to said C. D. Robinson and said A. G. Swiger at the southern end of the said division line; thence through the lands of A. G. Swiger N. 84° 25' W. 1,268 feet to a stake; thence S. 71° 50' W. 603 feet to a stake; thence S. 84° 35' W. 304 feet to a stake; thence S. 62° 35' W. 405 feet to a stake; thence S. 54° 30' W. 308 feet to a point in the division line between the lands of A. G. Swiger and S. R. Michael, which point is 346½ feet distant from the southern end of said division line and 106 feet distant from the north end of said division line, which northern end is a white oak, corner tree between said Swiger and said Michael, making a total distance of 2,788 feet, including as well the damages to the residue of said real estate beyond the peculiar benefits which will be derived in respect to such residue from the work to be constructed.

And it appearing to the Court that the petitioner on the 5th day

of May, 1914, paid to A. G. Swiger the sum of Four Hundred & Twenty-two and 40/100 Dollars, being the amount of compensation which was agreed upon, as hereinbefore set out, and to which said defendant is entitled for the easement proposed to be taken and damages to the residue as aforesaid, it is ordered that a right of way or easement to lay, construct and maintain in, over and through the lands in the papers and proceedings in this cause described, and at the places designated by courses and distances aforesaid, a pipe line, six inches in diameter, for the purpose of transportation of natural gas for public use, so paid for by said applicant, for the purpose set out in the petition and application and the orders and proceedings herein, be and the same are hereby fully vested in the said petitioner, Carnegie Natural Gas Company, and that said Carnegie Natural Gas Company do take and use for the purpose specified in said application and petition, that part of the land in respect to which such payment is made, and that said applicant shall do and have all the rights and privileges and franchises as heretofore adjudicated to said applicant and conferred upon it by law.

It is further ordered that the said applicant do pay all the costs of this proceeding which accrued in the Circuit Court of this county, the same to be taxed by the clerk, but is not to be taxed with any costs made by virtue of an appeal of this cause to the Supreme Court of this state.

Nothing further remaining to be done in this case, it is ordered that the same be and it is hereby dropped from the docket of the court.

713 STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the foregoing are true, correct and complete copies of the petition and exhibits therewith filed on July 11, 1911, and of the orders made and entered on September 29, 1911, May 27, 1913, February 7, 1914 and May 8, 1914, in the condemnation proceeding of Carnegie Natural Gas Company, a corporation, versus A. G. Swiger and others, lately pending in said Circuit Court of Harrison County, as the same remains of record in my said office.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 29th day of January, 1921.

[Seal of Circuit Court, Harrison County, West Virginia.]

I. WADE COFFMAN,  
*Clerk.*

STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, Haymond Maxwell, Judge of the Circuit Court of Harrison County, State of West Virginia, do certify that I, Wade Coffman, by whom the foregoing attestation was made, was, at the date thereof, Clerk of said court duly qualified and that the said attestation is due form of law and made by the proper officer.

Witness my hand and seal on this the 31st day of January, 1921.  
HAYMOND MAXWELL. [SEAL.]

714 STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the Honorable Haymond Maxwell, by whom the above certificate was given and whose name is thereto subscribed in his own proper handwriting, was, at the date thereof, Judge of the said Circuit Court of Harrison County, duly commissioned and sworn and acting.

In witness whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31st day of January, 1921.

[Seal of Circuit Court, Harrison County, West Virginia.]

I. WADE COFFMAN,  
Clerk.

715 [Endorsed:] Carnegie Natural Gas Company vs. A. G. Swiger et al. Condemnation for Pipe Line Right of Way.

716 FAIRMONT V. THOMPSON COND. W. VA. EX. 50.

EX. W. VA. NO. 50. O. L. H.

(Petition. Filed July 2, 1910.)

In the Circuit Court of Harrison County, West Virginia.

THE FAIRMONT & GRAFTON GAS CO.

vs.

RICHARD V. THOMPSON, Guardian, &c.

Condemnation.

To the Honorable Charles W. Lynch, judge of the Circuit Court of Harrison County:

The undersigned petitioner, The Fairmont & Grafton Gas Company respectfully represents:

I. That petitioner is a corporation duly organized and existing under and by virtue of the laws of the State of West Virginia, for the purpose of transporting carbon oil, and natural gas or both, by means of pipes, or otherwise, for public use, as will appear from the charter granted to it by the State of West Virginia, on the 12th day of March, 1894.

II. That this petitioner was duly organized under and by virtue of its charter and proceeded to engage in the business and undertakings thereby allowed and is now so engaged; that it is producing large quantities of natural gas within the State of West Virginia, and is engaged in the business of transporting the same to market by means of certain lines or iron pipe or tubing constructed and maintained by it and that the natural gas so transported by said lines is being sold to the public in the following named incorporated cities, towns and villages, to-wit: the City of Grafton and the towns of Lumberport, Shinuston and Enterprise, all in the State of West Virginia, and other places in the State of West Virginia not incorporated and many persons not living in any city, town or village are likewise being supplied with natural gas both for domestic and industrial uses by this petitioner, by means of its said system of pipe lines; that the transportation of said natural gas and the sale is for the use of the public generally for the purpose of supplying light and heat to such public; and that your petitioner is ready and willing at all times, and has so held itself out, to sell said gas to the public or any portion thereof, upon the payment of a reasonable price therefor.

III. That petitioner is now engaged in constructing lines of piping over and through the county of Harrison in the State of West Virginia, as it is by law authorized to do; that when the same are completed it is petitioner's purpose and intention to operate and maintain said pipe lines for the purpose of supplying natural gas to the inhabitants of the various incorporated cities, towns and villages hereinbefore mentioned, and to the public generally and for other lawful uses; that it desires to proceed with the construction of its said pipe line through the lands of Opal G. Thompson, Worthy R. Thompson and Ethel L. Thompson, all of whom are infants, and whose guardian is Richard V. Thompson, lying in the District of Clay, County of Harrison and State of West Virginia; that for the purpose of building, constructing and maintaining its said pipe line for the transportation of natural gas for the public uses hereinbefore set out, it desires to acquire an easement or right-of-way over, across and upon that portion of the land of the persons hereinbefore named, described particularly as follows:

Beginning at a point in line between lands of E. W. Thompson and of Worthy R. Thompson and others, which point is N 16° 45' W 243 feet distant from a stone corner; thence with said line, N 16° 45' W 31 feet to a point; thence S 57° 35' E 397.5 feet to a point; thence S 65° 35' E 485 feet to point in line of Nancy Rector; thence



with same N 78° 45' W 88 feet to a point N 78° 45' E 605 feet from a stone corner to E. W. Thompson; thence N 65° 35' W 401 feet to a point; thence N 57° 35' W 376.5 feet to the place of beginning, containing 38/100 of an acre, more or less.

IV. That petitioner files herewith as a part of this petition a plat of the said lands over which the said easement is proposed to be taken, marked "Thompson Plat."

V. That the strip of land hereinbefore described, upon which said easement is proposed to be taken, is owned in fee simple by the following named persons, to-wit: Worthy R. Thompson, Opal G. Thompson and Ethel L. Thompson, each of whom owns the undivided one-third of said land.

VI. That there are no liens upon the said land or claims thereto or outstanding estates therein or in any part thereof except as follows:

(a) an estate in all of the natural gas and the undivided seven-eighths of the oil held by T. J. Parrish and F. L. Grove under a conveyance made to them by Richard V. Thompson, Guardian and special commissioner, dated the 2nd day of May, 1910, and of record in the office of the Clerk of the County Court of Harrison County in Deed Book 186, page 318.

(b) a right of way for a pipe line supposed to be held by the South Penn Oil Company under and by virtue of a conveyance from Richard V. Thompson, Guardian, dated the 6th day of August, 1909, and of record in said Clerk's office in Deed Book No. 179, page 174.

VII. That all pipe lines to be laid or constructed by it in, upon and through said lands hereinbefore described and the right-of-way over which is now sought to be acquired, are to be and will be buried under the surface of the ground to such a depth as not to interfere with the use of the said land for agricultural purposes; that the pipe line which petitioner intends to lay and will lay upon the said right-of-way will be ten (10) inches in diameter; that your petitioner intends to use and will use the said easement or right of way over and upon the land hereinbefore described for the purpose of constructing, maintaining and operating its said pipe line; which pipe line will be used for the public uses hereinbefore set forth; and that said easement or right of way is necessary for such purposes.

VIII. That in taking the said easement or right of way, so proposed to be taken by petitioner, it will not be necessary to take any dwelling house, yard or garden, nor will such be taken therein or thereby; that in taking said easement or right of way and appropriating the same to the public use hereinbefore set forth, it is not and will not be necessary to erect or lay any oil tank or gas or oil pipe line within one hundred feet of any occupied dwelling house, nor

shall any oil tank, gas or oil pipe line be erected or laid within one hundred feet of any occupied dwelling house; and that the parcel of land hereinbefore described does not lie within any municipal corporation.

IX. That the survey, location and route of petitioner's pipe line, upon and over the parcel of land hereinbefore described, has been regularly and duly authorized, selected, located, approved and adopted by the proper officers of the petitioner and by its Board of Directors.

X. That petitioner is unable to agree with the owners of said land over which the easement aforesaid is proposed to be taken as aforesaid, as to the amount of compensation for the said easement or right of way proposed to be taken; that petitioner has offered to pay the sum of \$1.00 per lineal rod of pipe line, but the said owners will not agree to said price and have refused to give your petitioner the easement or right of way here now sought to be taken.

720 XI. That petitioner has caused notice to be given to Richard V. Thompson the guardian of said owners, and to all persons having liens upon, interests in or claims against the land upon which said easement or right of way is proposed to be taken, of petitioner's intention to file this petition and make this application, as will more fully appear from the said notice and the evidence of their service thereof thereon endorsed, which is herewith filed and prayed to be read as a part hereof, marked "Exhibit Notice."

Petitioner therefore prays that commissioners may be appointed by this court to ascertain a just compensation to the owners thereof for the easement hereinbefore described and proposed to be taken by your petitioner for the purposes aforesaid; that such other proceedings may be had in the premises as conform to law, and that upon the payment of compensation by your petitioner the title to the above described easement or right of way may be declared to be vested in your petitioner for the uses and purposes aforesaid. And that such other, further and general relief may be granted as to the court may seem proper or the nature of the case may require.

(Signed)

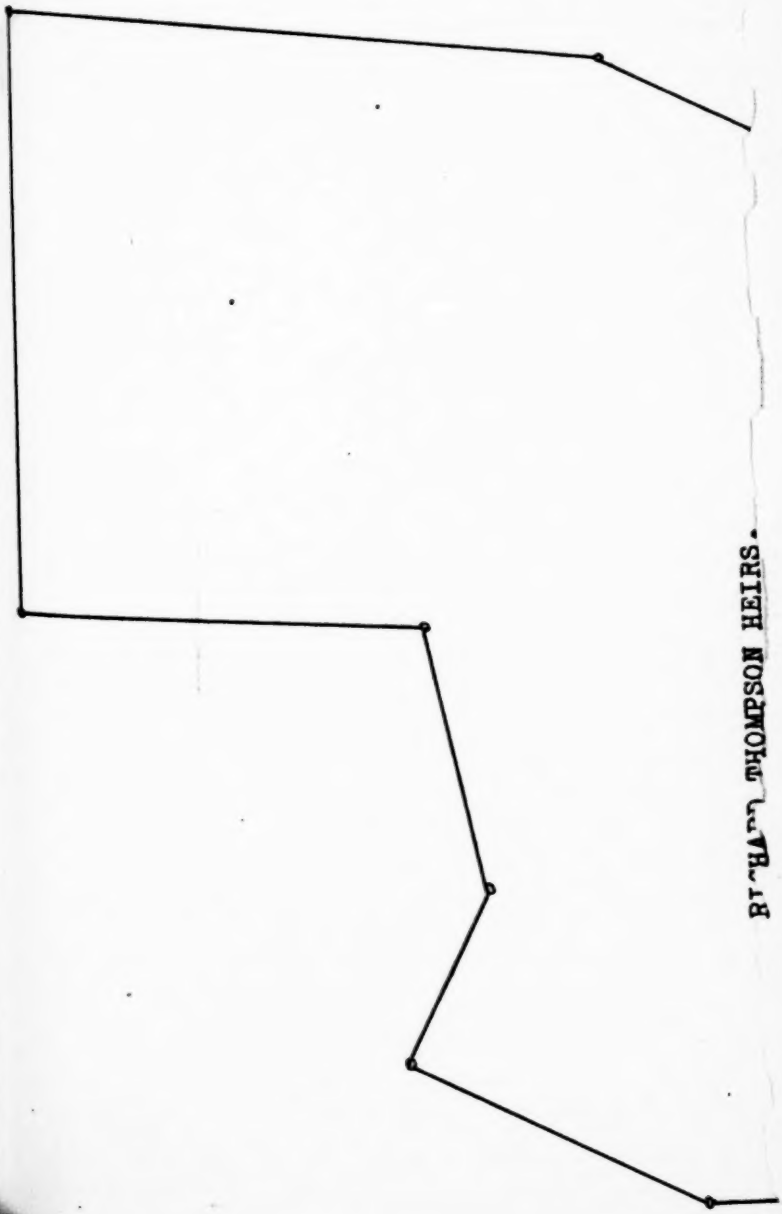
THE FAIRMONT & GRAFTON GAS  
COMPANY,

By DAVIS & DAVIS,

*Its Attorneys.*

(Here follows Exhibit Thompson Plat, marked page 721.)

RICHARD THOMPSON HEIRS.





22 ("EXHIBIT NOTICE" FILED WITH THE FOREGOING PETITION.)

to Richard V. Thompson, guardian of Worthy R. Thompson, Opal G. Thompson, and Ethel L. Thompson, and to Worthy R. Thompson, Opal G. Thompson, and Ethel L. Thompson, South Penn Oil Company, T. J. Parrish, and F. L. Grove:

You and each of you are hereby notified that on Saturday, the 2nd day of July, 1910, at 9 o'clock A. M., or as soon thereafter as the matter can be heard, the undersigned, The Fairmont & Grafton Gas Company, will make application by petition to the Circuit Court of Harrison County, West Virginia, at the Court House thereof at Clarksburg, for the appointment of commissioners to ascertain a just compensation to the persons entitled thereto, for an easement or right of way over, across and upon a certain piece or parcel of land, hereinafter mentioned; and for such proceedings to be then and there had as may be necessary to condemn said easement for public uses hereinafter mentioned. Said piece or parcel of land is situated in Clay District, Harrison County, West Virginia, on the waters of Moon's Run; is part of a tract of 37.55 acres of land which was set apart to Worthy R. Thompson, Opal G. Thompson and Ethel L. Thompson, by a decree of Circuit Court of Harrison County made on the 21st day of September, 1899, in the chancery cause of Joshua H. Thompson vs. Cyrus Thompson et al.; which decree is of record in the office of the Clerk of the County Court of Harrison County in Deed Book No. 109, page 462; and is bounded and described as follows, to wit:

Beginning at a point in line between lands of E. W. Thompson and of Worthy R. Thompson and others, which point is N.  $16^{\circ} 45'$  W. 243 feet distant from a stone corner; thence with said line N.  $16^{\circ} 45'$  W. 31 feet to a point; thence S.  $57^{\circ} 35'$  E. 397.5 feet to a point; thence S.  $65^{\circ} 35'$  E. 485 feet to point in line of Nancy Rector; thence with same N.  $78^{\circ} 45'$  W. 88 feet to a point S.  $8^{\circ} 45'$  E. 605 feet from a stone corner to E. W. Thompson; thence S.  $65^{\circ} 35'$  W. 401 feet to a point; thence N.  $57^{\circ} 35'$  W. 376.5 feet to the place of beginning containing 0.38 acres, more or less.

The parcel of land above described is owned jointly in fee simple by Worthy R. Thompson, Opal G. Thompson and Ethel L. Thompson, all of whom are infants; but their said estate is subject to a conveyance of all of the natural gas and seven-eighths of the oil, made by Richard V. Thompson, Guardian and Special Commissioner, to T. J. Parrish and F. L. Grove, which conveyance bears date the 2nd day of May, 1910, and is of record in said Clerk's office in Deed Book No. 186, page 318; and is supposed to be subject to a claim of South Penn Oil Company for a right of way for a pipe line thereon, under and by virtue of a conveyance made by Richard V. Thompson, Guardian, dated the 6th day of August, 1909, and of record in said Clerk's office in Deed Book No. 179, page 174.

A plat of said land, marked "Thompson Plat" will be filed with the written application in this case.

The easement in the parcel of land aforesaid is proposed to be taken by The Fairmont & Grafton Gas Company, a corporation under the laws of the State of West Virginia engaged in supplying gas for public use, and is intended by said Company to be appropriated for the purpose of constructing, operating and maintaining thereon a pipe line, ten inches in diameter, for the transportation of natural gas, under and by virtue of its charter and of the laws of said State.

(Signed)

THE FAIRMONT & GRAFTON GAS  
COMPANY,  
By DAVIS & DAVIS,

*Its Attorneys.*

June 17th, 1910.

724 STATE OF WEST VIRGINIA,

*County of Harrison, To wit:*

I, Joseph A. Jolliffe, do solemnly swear that I served the within notice on the within named Richard V. Thompson, Guardian of Worthy R., Opal G. and Ethel L. Thompson, on the 18th day of June, 1910, by delivering a true copy thereof, at his usual place of abode in Harrison County, West Virginia, to Cora Thompson, his wife, and giving to her information of the purport thereof, the said Richard V. Thompson not being found.

(Signed)

JOSEPH A. JOLIFFE.

Subscribed and sworn to before me in my said County of Harrison this 29th day of June, 1910.

(Signed)

CARL W. NEFF,  
*Notary Public for Harrison County, West Va.*

My commission expires Dec. 14th, 1915.

STATE OF WEST VIRGINIA,

*County of Harrison, To wit:*

I, Joseph A. Jolliffe, do solemnly swear that I served the within notice on the within named T. J. Parrish and F. L. Groves, on the 20th day of June, 1910, in Harrison County, West Virginia, by delivering to each of them in person a true copy thereof.

(Signed)

JOSEPH A. JOLIFFE.

Subscribed and sworn to before me in my said County of Harrison this 2nd day of July, 1910.

(Signed)

E. B. TEMPLEMAN,  
*Notary Public for Harrison County, West Virginia.*

Commission expires May 10, 1919.

725 In the Circuit Court of Harrison County, West Virginia.

THE FAIRMONT & GRAFTON GAS COMPANY

VS.

WORTHY R. THOMPSON et al.

Condemnation.

(Order. Entered July 2, 1910.)

This day came the Fairmont & Grafton Gas Company, a corporation, by Davis & Davis, its attorneys, and presented in open court its application or petition in writing praying for the appointment of commissioners to ascertain a just compensation to the persons entitled thereto, for a right of way or easement to construct, maintain and operate a pipe line, ten inches in diameter, for the transportation of natural gas for public use, over, through and across a certain strip or parcel of land owned by Worthy R. Thompson, Opal G. Thompson, and Ethel L. Thompson, infants, in said petition fully described and for such further orders and proceedings as may be necessary to condemn and appropriate said right of way or easement for the public use aforesaid; with which petition the said petitioner presented a notice with return of service thereon showing that notice of this application was duly served upon Richard V. Thompson, guardian of said Worthy R., Opal G. and Ethel L. Thompson, and on T. J. Parrish and F. L. Grove, owners of the oil and gas, more than ten days prior hereto. It is therefore ordered that said petition and notice be filed and this proceeding docketed; and that said defendants and their guardian still failing to appear to said application, on motion of the petitioner it is ordered that I. Wade Coffman be and he is hereby appointed guardian ad litem for said infant defendants and required to protect their interests in this behalf. Thereupon came the said guardian ad litem and appeared to said petition on behalf of his said wards. Thereupon came the defendants South Penn Oil Company and Hope Natural Gas Company and appeared in this case and waived service of notice upon them. Thereupon came

726 Richard V. Thompson, Guardian, by Fred L. Shinn, his attorney, and filed his demurrer to said petition, which demurrer, having been argued by counsel, is overruled.

Thereupon this cause came on to be heard upon the said notice, the petition and exhibits therewith filed, upon consideration whereof the court doth find and adjudge that this case is one in which the applicant has a lawful right to take the said easement or right of way over, through and across the parcel of land in said petition described for the purposes in said petition set forth, and the court doth hereby appoint thirteen disinterested freeholders of this county, to wit: Perry C. Williams, William C. Hiskman, Arthur K. Thorn, Linn K. Richards, A. D. Fitzhugh, E. W. Williams, Corbin B. Bradford, J. H. Somerville, B. M. Despart, Jno. D. McReynolds, Chas. H. Pike,



Jno. W. Stewart and Harry G. Johnson. And the defendants now appearing by Fred L. Shinn, their attorney, the parties proceeded to ascertain as required by law, five of said thirteen freeholders to act as commissioners, which choice and lot fell upon the following named five freeholders, to wit: Perry C. Williams, Corbin B. Bradford, J. H. Somerville, John D. McReynolds and John W. Stewart. Thereupon it is ordered by the court that said five freeholders so selected as such commissioners shall act as such and that after being duly sworn for the purpose, they do proceed with all convenient speed and after viewing said premises and hearing any proper evidence offered, do ascertain according to law what will be a just compensation to the parties entitled thereto for the right of way or easement to construct, maintain and operate said pipe line, for the uses aforesaid, over, through and across the strip or parcel of land proposed to be taken by the applicant and fully described in its petition in this case; and that they do make report of their proceedings to this court.

727 (Order Entered Sept. 10, 1910; Recorded in Law Order Book No. 35, Page 132.)

In the Circuit Court of Harrison County, West Virginia.

FAIRMONT & GRAFTON GAS CO.

vs.

WORTHY R. THOMPSON et al.

This day came the parties, by their attorneys, and thereupon it appearing to the Court that the Commissioners appointed to ascertain the compensation to which the land owner is entitled for the land sought to be taken in this proceeding, filed their report with the Clerk of this Court on the 15th day of July, 1910, and which report bears date the 15th day of July, 1910, fixing the compensation of the said defendant for the easement taken, as well as the damages to the residue beyond the peculiar benefits which will be derived in respect to such residue from the work to be constructed, at the sum of \$75.00, and the said Worthy R. Thompson, Opal G. Thompson and Ethel L. Thompson, by Fred L. Shinn, their attorney, having excepted to the said report of the commissioners and demanded that the amount of compensation to which said landowner is entitled for the easement or right of way to be taken, as well as for the damages to the residue of said real estate beyond the peculiar benefits which will be derived in respect to such residue from the work to be constructed, be tried by a jury at the bar of this Court.

Now, therefore, it is ordered that a jury be summoned to try said issue in the manner provided by law.

728 And it is further ordered that the applicant be allowed to pay into Court the sum of \$75.00, and thereupon the said applicant may take immediate possession of the easement or right of way involved in this proceeding; and the Clerk of this Court is or-

ed to receive the same and execute and deliver to the applicant a per receipt therefor, which has heretofore been done by him.

THE FAIRMONT & GRAFTON GAS COMPANY

v.

WORTHY R. THOMPSON, OPAL G. THOMPSON, and ETHEL L. THOMPSON, Infants and RICHARD V. THOMPSON, Guardian.

Condemnation Proceeding.

(Order Entered June 6, 1911.)

This day came again the parties by their attorneys, and the Court considered the matters arising on the motion of the applicant et aside the verdict of the jury heretofore returned in this proceeding and award it a new trial and the argument of counsel thereon, and overrule said motion.

and, proceeding to enter judgment on the verdict of the jury in favor of the land owners for the sum of one hundred and fifty dollars (\$150.00), and it appearing to the Court that the applicant has heretofore paid into court to the clerk the sum of seventy-five dollars (\$75.00), it is therefore considered by the Court that the clerk of court be and he is hereby ordered to pay to the said land owners, to their attorneys of record in this proceeding, the said sum of seventy-five dollars (\$75.00), and that the said land owners recover of the said applicant the sum of seventy-five dollars (\$75.00) with interest thereon from the 10th day of May, 1911, until paid, and their costs by them in this behalf expended.

and it is adjudged and ordered that the said applicant do take and hold an easement or right of way over, across and upon that portion of the land of the said owners, lying in the District of Clay, in Harrison County, described particularly as follows: Beginning at a point in line between lands of E. W. Thompson and of Worthy R. Thompson and others, which point is N. 16° 45' W. 243 feet distant from a stone corner; thence with said line N. 16° 45' W. 31 feet to a point; thence S. 57° 35' E. 397.5 feet to a point; thence S. 65° 35' E. 485 feet to point in line of Nancy Rector; thence with same N. 78° 45' W. 88 feet to a point N. 78° 45' E. 605 feet from a stone corner to E. W. Thompson; thence N. 65° 35' W. 101 feet to a point; thence N. 57° 35' W. 376.5 feet to the place beginning, containing 38/100 acres, more or less, for the purpose set out in its petition and application herein.

and nothing further remaining to be done in this proceeding, the case is now retired from the docket.

STATE OF WEST VIRGINIA,

County of Harrison, To wit:

I, Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the foregoing are true, cor-

rect and complete copies of the petition and exhibits therewith filed on July 2, 1910, and of the orders made and entered on July 2, 1910, September 10, 1910, and June 6, 1911, in the condemnation proceeding of The Fairmont & Grafton Gas Company, a corporation versus Richard V. Thompson, Guardian, and others, lately pending in said Circuit Court of Harrison County, as the same remains on record in my said office.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 29th day of January, 1921.

[Seal of Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN,  
Clerk.

STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, Haymond Maxwell, Judge of the Circuit Court of Harrison County, State of West Virginia, do certify that I. Wade Coffman, by whom the foregoing attestation was made, was, at the date thereof, Clerk of said court duly qualified, and that the said attestation is in due form of law and made by the proper officer.

Witness my hand and seal on this the 31st day of January 1921

HAYMOND MAXWELL. [SEAL.]

732 STATE OF WEST VIRGINIA,  
County of Harrison, To wit:

I, I. Wade Coffman, Clerk of the Circuit Court of Harrison County, State of West Virginia, do certify that the Honorable Haymond Maxwell, by whom the above certificate was given and whose name thereto subscribed in his proper handwriting, was, at the date thereof, Judge of the said Circuit Court of Harrison County, duly commissioned and sworn and acting.

In witness whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31st day of January, 1921.

[Seal of Circuit Court, Harrison Co., West Virginia.]

I. WADE COFFMAN,  
Clerk.

733 [Endorsed:] The Fairmont & Grafton Gas Co. vs. Richard V. Thompson, Guardian, &c. Condemnation.

WHEELING V. TENNANT COND. W. VA., EX. 51.

EX. W. VA. No. 51. O. L. H.

Compared.

WHEELING NATURAL GAS COMPANY

VS.

ENOS D. TENNANT AND OTHERS.

Condemnation.

The petition in the above-styled case, filed in the Circuit Court of Marion County, in Open Court, on the 12th day of October, 1906, is in words and figures following:

To the Honorable John W. Mason, judge of the Circuit Court of Marion County, West Virginia:

Your petitioner, The Wheeling Natural Gas Company, a Corporation created, organized, existing and doing business under and pursuant to the laws of the State of West Virginia, having its principal office in the City of Wheeling, West Virginia, respectfully represents unto your Honor that it is such corporation duly created, organized, existing and doing business under the laws of the said State; that by its charter it is authorized and is organized for the purpose of boring, digging for or otherwise obtaining from the earth petroleum, rock or carbon oils and natural gas, and manufacturing, buying, selling and transporting the same in the crude and in the refined states; for the purpose of constructing and maintaining lines of tubing and piping for the transporting of such oils and gas, or either of them, for the public generally, as well as for the use of said corporation; for the purpose of transporting such oil and gas, or either of them, by means of such pipes or otherwise, and selling and supplying the same to others; and generally for the purpose of doing such acts and carrying on such business as

735 pertains to such works and improvements.

That petitioner in the exercise of its rights, powers and privileges and in the conducting of its business has been and is supplying the incorporated cities, towns and villages of Benwood, Chester, McMechen, Moundsville, Newell, and other towns and vicinities and manufactories within the State of West Virginia, and the inhabitants of said cities, towns and villages, with natural gas, for heating, fuel, illumination, power and other purposes, under ordinances of said several cities, towns and villages, as well as a large number of unincorporated towns and villages in the said State of West Virginia, and persons residing in and inhabiting such unincorporated towns and villages, and any and all persons residing along the lines of your petitioner, desiring natural gas.

That it is necessary for your petitioner, in order to supply natural gas to the said several incorporated cities, towns and villages, and their inhabitants, as well as the several unincorporated towns and villages, manufactories and persons desiring natural gas for heating, fuel, illumination power and other purposes, and in order to keep up the required and necessary supply of such gas to drill new wells for that purpose, and to acquire by purchase or otherwise other wells from which such supply of natural gas may be obtained.

That your petitioner has acquired sundry wells in the County of Marion, in the said State of West Virginia, producing natural gas, and in order to supply said incorporated cities, towns and villages, and the inhabitants thereof, as well as other consumers and manufactories, with natural gas for heating, fuel, illumination, power and other purposes, it is necessary that petitioner lay,  
736 construct and maintain a line of pipe from said wells in the said county of Marion through the said county of Marion and the county of Wetzel, in the said State of West Virginia, to connect with and connecting with its lines of pipe already laid, so as to supply the above named incorporated cities, towns and villages, and the inhabitants thereof, as well as said other consumers and manufactories, with natural gas, for heating, fuel, illumination, power and other purposes.

That your petitioner has surveyed a route for laying and constructing said line of pipe from said gas wells in said Marion County through a portion of said Marion County, and through a portion of said Wetzel County, and proposes to, and it is necessary for it to, lay and construct a line of pipe for transporting natural gas for public use along the route so surveyed and marked out for that purpose.

That your petitioner desires to proceed with the construction of its said line of pipe in the said County of Marion, and through the lands of Enos D. Tennant, situate lying and being in the District of Lincoln, in said County and State.

That the piece, parcel or section of land belonging to the said Enos D. Tennant, which is proposed to be taken by your petitioner for the purpose of constructing, maintaining and operating its said line of pipe, is particularly described as follows, to-wit:

A strip of land a part of a farm owned by the said Enos D. Tennant, situate in the District of Lincoln, County of Marion, and State of West Virginia, which said strip so proposed to be taken is 24 feet in width and lies one-half thereof on either side of a center line, which said center line is particularly described as follows:

737 (Beginning at a point in the division line between the lands of said Enos D. Tennant and the heirs of Elijah Toothman, who join said land on the northwest, which point is on the northwesterly side of the land of said Enos D. Tennant and 45 rods measured along said division line northeasterly from a C. O. a corner in the division line between the lands of said Enos D. Tennant, Elijah Toothman's heirs and John G. Myers: thence S. 45° E. 80½ rods to a stake in the division line between the

ands of said Enos D. Tennant and John G. Myers; who joins said and on the southerly side and 16 rods measured along said last named division line southeasterly from a W. O. a corner in said division line, and contains .73 acres.)

Your petitioner files herewith as part hereof a plat of the piece, parcel or section of land so proposed to be taken by it, which plat is marked "Plat."

Your petitioner avers that it intends to use the land hereinbefore described for the purpose of constructing, maintaining and operating its said line of pipe, and that said land is necessary for such purpose; that said land so asked to be taken is for public purposes and for public uses; that petitioner expects and intends to use the same for such public purposes and public uses, and that said land is needed for such public uses; and petitioner avers that the said land is such as it has a right to condemn under the provisions of the law and under its charter.

Your petitioner avers that said Enos D. Tennant is the owner of said land in fee simple; that the Nine foot or Pittsburgh vein of coal within and underlying said piece, parcel or section of land is owned in fee by the Saint Louis Union Trust Company, a corporation; that James M. Guffey is interested in said

738 Nine Foot or Pittsburgh vein of coal by reason of having a purchase money lien upon and against the same; that Alcinda Tennant, Malinda Tennant and Louise A. Ammons are interested in the oil and gas within and underlying said piece, parcel or section of land by reason of a conveyance to them of an interest therein by the said Enos D. Tennant.

Your petitioner further alleges that the foregoing named persons and corporations are the only owners of said land and the only persons interested in or holding liens upon or against the same, so far as known to it; and that there are no conflicting claims to the said land, or to any part thereof, so far as known to it.

Your petitioner further represents that it is unable to agree with the said owners of said land so proposed to be taken by it for the public uses and purposes aforesaid as to the amount of compensation for said piece, parcel or section of land so proposed to be taken, and that the owners of said land refuse to give your petitioner a right of way over the same.

Your petitioner avers that it has caused notice to be given said owners, lienors and parties in interest of its intention to file this petition and make this application, as will more fully appear by said notice and the evidence of service of the same endorsed thereon and therefrom appearing herewith filed marked "Notice" and made a part of this petition.

Your petitioner is willing to take the above described piece, parcel or section of land subject to the conveyance of the Nine Foot or Pittsburgh vein of coal within and underlying the same, together with the mining rights and privileges belonging thereto, and  
739 also subject to the rights of said Alcinda Tennant, Malinda Tennant and Louise A. Ammons in the oil and gas underlying the same.

Your petitioner therefore prays that Commissioners may be appointed by this court to ascertain a just compensation to the persons entitled thereto for the land hereinbefore described and proposed to be taken by your petitioner for the purposes aforesaid, subject to, however, and excepting the Nine Foot or Pittsburgh vein of coal within and underlying the same; that such proceedings may be had in the premises as conform to law; and that upon the payment of the compensation by your petitioner, the title to the above described piece, parcel or section of land may be vested in your petitioner in fee simple, subject to the conveyance of the Nine foot or Pittsburgh vein of coal within and underlying the same and the mining rights and privileges belonging thereto. And your petitioner also asks for such other, further and general relief as the court may deem proper to award in the premises.

THE WHEELING NATURAL GAS  
COMPANY,

By C. C. NEWMAN &  
G. M. ALEXANDER,

*Its Attorneys.*

Plat filed with foregoing petition is in the words and figures following:

741 Notice with evidence of service endorsed thereon, filed with petition, is in words and figures following:

To Enos D. Tennant, Saint Louis Union Trust Company, a corporation, James M. Guffey, Alcinda Tennant, Malinda Tennant and Louise A. Ammons:

(Here follows plat of survey for 12" pipe line, marked page 740.)

*Plat showing survey for 12 inch pipe line for conveying Natural*



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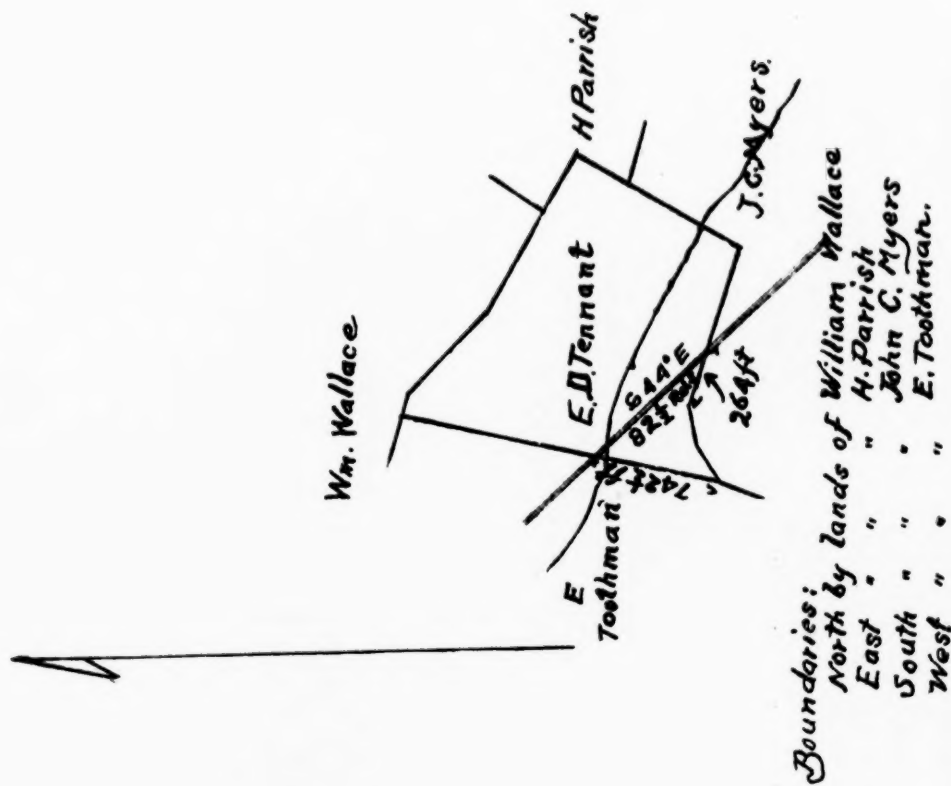
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*Plot showing survey for 12 inch pipe line for conveying Natural Gas through the lands of E.D. Tennant situated in Lincoln District Marion County, W. Va. a distance of 82 1/2 rods along a line running 44 degrees South of East*





You will take notice that on Thursday the 11th day of October, 1906, at ten o'clock A. M. or as soon thereafter as counsel can be heard, The Wheeling Natural Gas Company, a corporation under the laws of the State of West Virginia, will make application by petition to the Circuit Court of Marion County, West Virginia, at the regular term thereof, at the Court House of said County, in the City of Fairmont, West Virginia, to appoint Commissioners to ascertain a just compensation to the persons entitled thereto for the certain piece, parcel or section of land hereinafter mentioned, the in which is owned by the said Enos D. Tennant, and the coal underlying which said piece, parcel or section of land is owned in fee by the said Saint Louis Union Trust Company, and in which the said James M. Guffey is interested by reason of having a purchase-money lien upon and against the same, and in which piece, parcel or section of land the said Alcinda Tennant, Malinda Tennant and Louise A. Ammons are interested by reason of having an interest in the oil and gas within and underlying the same; and such orders and proceedings to be then and there entered and as may be necessary to condemn the said piece, parcel or section of land for the public use and purpose hereinafter named; which piece, parcel or section of land is proposed to be taken by said The Wheeling Natural Gas Company for the construction of its gas pipe lines, telegraph and telephone lines to be used by said Company for public purposes and used to convey and transport oil and gas and messages. The said piece, parcel or section of land is described as follows, to-wit:

A strip of land a part of a farm owned by the said Enos D. Tennant, situate in the District of Lincoln, County of Marion and State of West Virginia, which said strip so proposed to be taken is 24 feet wide and lies one-half thereof on either side of a center line, which said center line is particularly described as follows: Beginning at a point in the division line between the lands of said Enos D. Tennant and the heirs of Elijah Toothman, who join said land on the northwest, which point is on the northwesterly side of the land of said Enos D. Tennant and 45 rods measured along said division line southeasterly from a C. O. a corner in the division line between the lands of said Enos D. Tennant, Elijah Toothman's heirs and John G. Myres; thence S. 45° E. 80½ rods to a stake in the division line between the lands of said Enos D. Tennant and John G. Myres, who own said land on the southerly side and 16 rods measured along said named division line southeasterly from a W. O. corner in said division line, and contains .73 acres.

The plat of said piece, parcel or section of land marked "Plat" is filed with the application in writing in this proceeding.

At which time and place you are notified to be present and do what is necessary to protect your interests.

**THE WHEELING NATURAL GAS  
COMPANY,**

By **C. C. NEWMAN &  
G. M. ALEXANDER,**

*Counsel.*

Served the within writ in Marion County, West Virginia, upon the within named Enos D. Tennant, Alcinda Tennant, and Louise

743 A. Ammons, on the 29th day of September, 1906, by delivering to them in person a copy thereof in writing, upon the within named Malinda Tennant, on the 29th day of September, 1906, by delivering a copy thereof in writing at her usual place of abode, to her father found there (who is a member of the family of said Malinda Tennant, and above the age of 16 years) and giving information of the purport of such copy to him, the said Malinda Tennant not being found at her usual place of abode or elsewhere.

W. S. FURBEE,  
*Deputy, for H. R. Furbee,*  
*Sheriff of Marion County, West Virginia.*

Morgantown, West Virginia,  
October 1st, 1906.

We hereby accept service of the within notice.

FRAZER & FRAZER,  
*Counsel for St. Louis Union Trust Company.*

I, James M. Guffey, hereby accept service of the within Notice this 1st day of October, 1906.

J. M. GUFFEY.

744 At another day of said Circuit Court to wit, on the 12th day of October, 1906, the following order was entered:

THE WHEELING NATURAL GAS COMPANY, a Corporation,

vs.

ENOS D. TENNANT, SAINT LOUIS UNION TRUST COMPANY, a Corporation, James M. Guffey, Alcinda Tennant, Malinda Tennant and Louise A. Ammons.

Upon a Proceeding to Take Land for Public Use.

This day came The Wheeling Natural Gas Company, a corporation, by its attorneys, and presented in open Court its application in writing by petition describing certain lands situate in Lincoln District, Marion County, West Virginia, which it proposes to take, with a plat of said land so proposed to be taken, and stating the names of the owners thereof, the nature of the interest of said parties therein, and also stating the purposes for which said land is proposed to be taken, and that said corporation has been unable to agree with the owners as to the compensation to be paid therefor, and it appearing to the Court that legal notice has been given by said applicant by legal service thereof to the said Enos D. Tennant, Saint Louis Union Trust Company, a corporation, James M. Guffey, Alcinda Tennant, and Louis A. Ammons, and that said Enos D.

nant, Saint Louis Union Trust Company, James M. Guffey, Alcinda Tennant and Louise A. Ammons, have each had at least three days' notice of the intention of said applicant to file said petition. Upon motion of said applicant, it is ordered that said notice and said application in writing and the said plat exhibited with said petition, be and are here now filed, and that this proceeding be and is here now docketed.

Defendant Saint Louis Union Trust Company appeared by James C. Frazer, its attorney; also defendant Enos D. Tennant appeared by B. F. Ramage, his attorney.

It being made to appear to the Court that the said Alcinda Tennant, Malinda Tennant and Louise A. Ammons no longer own or have any interest in and to the real estate so sought to be taken or the oil and gas within and underlying the same. On motion of said applicant, and with the consent of the said Enos D. Tennant, the proceeding is dismissed as to the said Alcinda Tennant, Malinda Tennant and Louise A. Ammons.

Whereupon defendant Enos D. Tennant demurred to said petition in writing, in which demurrer the applicant joined. And the same was argued to the court.

Upon consideration of which demurrer, the court is of opinion to overrule, and doth overrule, the same, to the action of the court in overruling said demurrer said defendant excepts.

And it appearing to the Court that the case is one in which the applicant has a lawful right to take said property described in said petition and notice for the purposes set out in said petition, and that said land so proposed to be taken is necessary for the purposes aforesaid, and will be used therefor. And the said defendants not appearing to further plead or answer, and said petitioner praying for an appointment of commissioners to ascertain a just compensation to the said parties hereinbefore named, the owners of said land, by giving the same for the said purposes as in the said petition asked, the court doth hereby nominate thirteen disinterested freeholders of said county as follows: H. T. Lough, H. Clark Jones, Eldridge Carter, M. V. Millan, W. G. Reese, J. T. Martin, W. B. Charlton, Ward Beaty, J. A. Hess, Robert Reed, J. N. Wood, H. T. Watson, and A. B. Joliff.

And the said applicant and the said defendant Enos D. Tennant, appearing by counsel, proceeded to ascertain, as provided by law, from said thirteen freeholders the five thereof to act as commissioners, which lot and choice fell upon the following named freeholders, of said thirteen to act as such commissioners, to wit: H. T. Lough, H. Clark Jones, Eldridge Carter, W. B. Charlton and Robert Reed.

And thereupon it is ordered by the Court that the said five freeholders so selected to act as such commissioners do proceed, after having been duly sworn for the purpose, with all convenient speed, and after viewing said premises and hearing any proper evidence presented, ascertain, according to law, what will be a just compensation to the parties entitled thereto for so much of the said real estate as is proposed to be taken by the said applicant, that is to say: A strip

of land a part of a farm owned by the said Enos D. Tennant, situate in the District of Lincoln, County of Marion, and State of West Virginia, which said strip so proposed to be taken is 24 feet in width and lies one-half thereof on either side of a center line, which said center line is particularly described as follows: Beginning at a point in the division line between the lands of said Enos D. Tennant and the heirs of Elijah Toothman, who join said land on the northwest, which point is on the northwesterly side of the land of said Enos D. Tennant and 45 rods measured along said division line northeasterly from a C. O. a corner in the division line between the lands of said Enos D. Tennant, Elijah Toothman's heirs and John G. Myers; thence S. 45° E. 80½ rods to a stake in the division line between the lands of said Enos D. Tennant and John G. Myers, who joins said land on the southerly side and 16 rods measured along said last named division line southeasterly  
747 from a W. O. a corner in said division line, and contains .73 acres. Subject to and excepting the Nine foot or Pittsburg vein of coal within and underlying the said strip or parcel of ground, together with the mining rights and privileges belonging thereto. As well as for damage to the residue of said tract. And make report of their proceedings to this court according to law.

This order should have been entered on October 11th 1906, but by inadvertance the entering of the same was overlooked, it is therefore entered on this 12th day of October, 1906, now for then.

748 At another day of said Circuit Court, to wit on the 29th day of October, 1906, the following order was entered:

THE WHEELING NATURAL GAS COMPANY

VS.

ENOS D. TENNANT, SAINT LOUIS UNION TRUST COMPANY, and  
JAMES M. GUFFEY.

Condemnation Proceeding.

This day came the applicant, The Wheeling Natural Gas Company, by C. C. Newman and G. M. Alexander, its attorneys and came also defendant Enos D. Tennant by B. F. Ramage and Ira L. Smith, his attorneys, and defendant Saint Louis Union Trust Company by J. C. Frazer, its attorney, and by consent of the parties hereto, the following agreement is here now filed in the papers of this cause and made a part of the record of the same; and by like consent, it is ordered that the said agreement be recorded in the Law Order Book of this Court, which is accordingly done. Said agreement being in the words and figures following, to-wit:

## THE WHEELING NATURAL GAS COMPANY

vs.

ENOS D. TENNANT &amp; Others.

## Condemnation Proceeding.

It is hereby agreed by and between the applicant, The Wheeling Natural Gas Company, and the defendant Enos D. Tennant, that the name of J. Clark Jones selected as one of the commissioners in this proceeding by order entered on the 12th day of October, 1906, should be H. Clark Jones; and that the said H. Clark Jones was the person intended to be selected, and who was in fact selected, and who in fact served, as such commissioner; and that no exception or objection shall be made by any of the parties because of the misdescription or mis-naming of the said H. Clark Jones in the said order.

It is further agreed that Robert Reed, one of the Commissioners named in said order of October 12th, 1906, and R. L. Reed who signed the report of Commissioners in the above case, is one and the same person; and that no exception or objection shall be made by reason thereof.

Witness the signatures of said parties hereto by their attorneys, this 29th day of October, 1906.

THE WHEELING NATURAL GAS  
COMPANY,

By G. M. ALEXANDER,

*Its Attorney.*

ENOS D. TENNANT,

By RAMAGE &amp; SMITH,

*His Attys.*

And on motion of said applicant, the oath taken by H. T. Lough, H. Clark Jones, Eldridge Carter, W. B. Charlton, and Robert Reed, duly certified by R. B. Parrish, Clerk of the Circuit Court of Marion County, West Virginia, as required by law, is now filed in the papers of this cause. And upon like motion of said applicant, the report of said commissioners H. T. Lough, H. Clark Jones, Eldridge Carter, W. B. Charlton and Robert Reed, which bears date the 23rd day of October, 1906, and which was returned and filed with the Clerk of this Court on the 23rd day of October, 1906, to which report no exceptions were taken or filed, is also filed.

And the Court finding that the said report of said commissioners is in all respects regular, it is accordingly considered, adjudged, and ordered that the same be and is hereby confirmed and approved. And it is further ordered that the said report of said commissioners be recorded in the Law Order Book of this Court, together with the oaths so taken by said commissioners and



certified as aforesaid, all of which is now done. Said report and oaths being in the words and figures following, to-wit:

THE WHEELING NATURAL GAS COMPANY

vs.

ENOS D. TENNANT and Others.

Condemnation Proceeding.

STATE OF WEST VIRGINIA,

*County of Marion, To wit:*

I, R. B. Parrish, Clerk of the Circuit Court of Marion County, West Virginia hereby certify that H. T. Lough, H. Clark Jones, Eldridge Carter, W. B. Charlton and Robert Reed, Commissioners appointed by the Circuit Court of Marion County, upon the application of The Wheeling Natural Gas Company in the above styled proceeding to ascertain what is a just compensation to the above named owners of land proposed to be taken by said Company for its pipe line purposes, and described in the petition of said Company filed in said Court on the 12th day of October, 1906, for so much of said land as is proposed to be taken, as well as for damage to residue of the said real estate beyond the peculiar benefits which will be derived in respect to such residue from the work to be constructed, this day personally appeared before me in my said County, and each of them, before entering upon the discharge of his duties as such, made oath that he will honestly and impartially perform his duties as such commissioners to the best of his skill and judgment.

Given under my hand this 16th day of October, 1906.

R. B. PARRISH,

*Clerk of the Circuit Court, Marion Co., W. Va.*

751 To the Circuit Court of Marion County:

We, the Commissioners appointed by the Circuit Court of Marion County, by an order made on the 12th day of October, 1906, upon the application of The Wheeling Natural Gas Company, respectfully report:

That having been first duly sworn, we have viewed the real estate owned by Enos D. Tennant mentioned in said application, the Nine Foot or Pittsburg vein of coal underlying which, with the mining rights and privileges belonging thereto, being owned by the Saint Louis Union Trust Company, James M. Guffey, holding a purchase money lien on said coal, and are of the opinion that \$691.00 will be a just compensation for so much of the said real estate as is proposed to be taken by the said applicant, that is to say: a strip of land a part of a farm owned by the said Enos D. Tennant, situate in the District of Lincoln, County of Marion, and State of West Virginia, which said strip so proposed to be taken is 24 feet in width and lies one-half thereof on either side of a center line, which said

center line is particularly described as follows: Beginning at a point in the division line between the lands of said Enos D. Tennant and the heirs of Elijah Toothman, deceased, who joins said land on the northwest, which point is on the northwesterly side of the land of said Enos D. Tennant and 45 rods measured along said division line northeasterly from a C. O., a corner in the division line between the lands of said Enos D. Tennant, Elijah Toothman's heirs and John G. Myers; thence S. 45 E. 80½ rods to a stake in the division line between the lands of said Enos D. Tennant and John G. Myers, who joins said land on the southerly side and 16 rods measured

752 along said last named division line southeasterly from a W. O., a corner in said division line and contains .73 acres.

Subject to and excepting the Nine foot or Pittsburg vein of coal within and underlying the same, together with the mining rights and privileges belonging thereto, and also subject to and excepting the oil and gas and oil and gas rights and interests upon, within and underlying the same,—as well as for the damage to the residue of said real estate beyond the peculiar benefits which will be derived in respect to such residue from the work to be constructed.

Given under our hands this 23 day of October, 1906.

W. B. CHARLTON.

H. T. LOUGH.

ELDRIDGE CARTER.

R. L. REED.

H. CLARK JONES.

And thereupon the said applicant, The Wheeling Natural Gas Company, paid into Court the said sum of \$691.00 that being the sum ascertained by said commissioners as compensation and damages to the persons entitled thereto for the land proposed to be taken in and by the said petition and applicant and also in the said report mentioned and described.

And said applicant, The Wheeling Natural Gas Company, having so as aforesaid paid the said compensation and damages so ascertained by said commissioner as coming to said Enos D. Tennant, Saint Louis Union Trust Company and James M. Guffey, into court for the said defendants Enos D. Tennant, Saint Louis Union Trust Company and James M. Guffey, or such of them as may be entitled to the same; it is further considered and ordered that the title to

753 that part of said land so paid for, for the purpose set out, stated and described in the petition and application of said applicant, and also in the said report mentioned and described, be vested in said petitioner and applicant, The Wheeling Natural Gas Company, subject to the reservations and exceptions set out in said petition and application and in said report of said commissioners; and that said applicant do and shall have all such rights, privileges and franchises as are asked in and by said petition and application and as are by law conferred upon it.

It is further considered and ordered that said applicant, The Wheeling Natural Gas Company, do pay the costs of this proceeding to and including this order

754 At another day of said Circuit Court, to wit, on the 29th day of October, 1906, the following order was entered:

THE WHEELING NATURAL GAS COMPANY

vs.

ENOS D. TENNANT and Others.

Condemnation Proceeding.

This day came the applicant by its attorney, and came also the defendant Enos D. Tennant by his attorneys, and Saint Louis Union Trust Company by J. C. Frazer, its attorney. And it appearing to the Court that the amount of compensation and damages awarded the defendant in this proceeding is the sum of \$691.00, and that the same was paid into Court and is now in the hands of the Clerk.

From an inspection of the papers in this proceeding, the Court doth ascertain that the said sum of \$691.00 is going to and is properly payable to said Enos D. Tennant.

It is therefore adjudged, and ordered that the Clerk of this Court do pay to said Enos D. Tennant the said sum of \$691.00 compensation and damages awarded in this proceeding, taking receipts in duplicate therefor.

755 STATE OF WEST VIRGINIA,  
*County of Marion, To wit:*

I, L. A. Cather, Clerk of the Circuit Court of Marion County, State of West Virginia, do certify that the foregoing are true, correct and complete copies of the petition and exhibits therewith filed on October 12, 1906, and of the orders made and entered on October 12, 1906, October 29, 1906 and October 29, 1906, in the condemnation proceeding of Wheeling Natural Gas Company, a corporation, versus Enos D. Tennant and others, lately pending in said Circuit Court of Marion County, as the same remains of record in my said office.

In Testimony Whereof I have herunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31 day of January 1921.

[Seal of Circuit Court, Marion County, West Virginia.]

L. A. CATHER,  
*Clerk.*

STATE OF WEST VIRGINIA,  
*County of Marion, To wit:*

I, W. S. Meredith, Judge of the Circuit Court of Marion County, State of West Virginia, do certify that L. A. Cather, by whom the foregoing attestation was made, was, at the date thereof, clerk of said Court duly qualified, and that said attestation is in due form of law and made by the proper officer.

Witness my hand and seal on this the 4th day of February 1921.

W. S. MEREDITH. [SEAL.]

756 STATE OF WEST VIRGINIA,  
*County of Marion, To wit:*

I, L. A. Cather, Clerk of the Circuit Court of Marion County, State of West Virginia, do certify that the Honorable W. S. Meredith, by whom the above certificate was given, and whose name is thereto subscribed in his own proper handwriting, was, at the date thereof, Judge of the said Circuit Court of Marion County, duly commissioned and sworn and acting.

In Witness Whereof I have hereunto set my hand and affixed the seal of said Court, at the Courthouse of said County, on this the 31 day of January 1921.

[Seal of Circuit Court, Marion County, West Virginia.]

L. A. CATHER,  
*Clerk.*

757 [Endorsed:] Wheeling Natural Gas Company vs. Enos D. Tennant, and others. Circuit Court, October 12, 1906. Copy. L. A. Cather, Clerk Circuit Court of Marion County, Fairmont, West Va.

758 HIGHWAY FRANCHISES W. VA. EX. 52.

EX. W. VA. NO. 52. O. L. H.

STATE OF WEST VIRGINIA:

At a regular term of the County Court of Harrison County, West Virginia, continued and held at the court house of said County, on the 18th day of July, 1906, the following order was made and entered:

Reserve Gas Company Granted Permission to Lay Pipe Lines.

The Reserve Gas Company, a corporation doing business in this county this day made application to the Court for license and permission to lay and maintain pipe lines in any of the public roads in this county, for the conveyance of gas, from any well or wells of said company, it is ordered that the said applicant, The Reserve Gas Company, be and it is hereby granted license and permission to lay and maintain in any of the public roads of this county pipe lines for the conveyance of gas from any well or wells of the said company, said pipe lines to be so laid as not to interfere with the use of said public roads and for that purpose to be covered with a covering of not less than twelve inches above said pipe line and also to be laid in such manner as not to interfere with any other pipe line, now laid in or along said road. If at any time, by reason or working the roads it should become necessary to lower said pipe, at any point, said company shall lower it at its own expense. This franchise is to expire in fifty years from the date hereof.

## 759 STATE OF WEST VIRGINIA:

At a regular term of the County Court of Harrison County, West Virginia, continued and held at the court house of said county, on the 3d of April, 1907, the following order was made and entered:

Hope Natural Gas Company Franchise Granted.

This day came Hope Natural Gas Company, a corporation, by John G. Pew, its Vice President, and by Kemble White of counsel and asked leave of the court to have docketed for a hearing its petition executed under the seal of said corporation, which was filed in the Clerk's office of this court on the 12th day of February, 1907.

And it appearing to the Court that the said petition has been properly filed, and that notice of the application of said Hope Natural Gas Company for a franchise as set up in said petition has been properly published according to law, which notice together with the proof of publication thereof was filed in the Clerk's office of this court on the 22nd day of March, 1907.

It is therefore ordered that said petition be filed and that said notice and proof of publication thereof be filed with said petition.

And the court considered the matters arising upon said petition as well as the various protests filed against the said petition, and the matters arising thereon were argued at length by counsel for petitioner as well as by various protestants, and the public at large was given opportunity and was heard on said matters.

Upon consideration whereof, in consideration of the agreements and restrictions hereinafter contained on the part of the Hope

Natural Gas Company, a corporation created, organized and

760 existing under the laws of the State of West Virginia, it is ordered that there be and is hereby granted on the part of the County Court of Harrison County to the said Hope Natural Gas Company, such corporation, its successors and assigns, the right and privilege of laying, constructing, maintaining, operating and reclaiming pipe lines of the diameter of Two inches, and smaller for the transportation of natural gas, steam and water, along & across the public roads of Harrison County, and the right and privilege of laying, constructing, maintaining, operating and reclaiming pipe lines for the transportation of Natural Gas, steam and water across the public roads of Harrison County upon such routes as may be necessary or convenient to the business of said Hope Natural Gas Company, for the terms of fifty years (50) from the date of this order, subject, however, to the agreements, conditions and restrictions which are imposed and contained in this ordinance.

(1) The said pipe lines shall not be placed, put or laid along or in said public roads in such a way as to at any point or place obstruct or impair said roads or the ditches, sewers, drains, or culverts thereof, and shall be so laid as not to interfere with public travel on, along or over the said roads as at present afforded by said roads.

(2) Said pipe lines shall be at all places, including any and all places where they cross the said roads, buried at a depth of at least two feet beneath the surface of said roads; the said pipe lines shall be so laid as not to interfere with the proper equipping, keeping, maintaining the said roads, sewers, drains, ditches and culverts of the same.

(3) If at any time by reason of working the roads it should become necessary to lower said pipes at any point or points said Hope Natural Gas Company, upon five days' notice, shall lower said pipes  
761 at its own expense, and in the event said Hope Natural Gas Company shall fail to make said changes the County Court of Harrison County may do so at the expense of said Hope Natural Gas Company, which acknowledges itself indebted to said county in such sum as said change may cost said county.

(4) All lines shall be laid and placed along the edge of said road.

Whenever and wherever the words "Hope Natural Gas Company" occur in this ordinance it is understood "its successors and assigns" immediately follow and are to be so construed.

This franchise or ordinance shall become a valid and binding contract when said Hope Natural Gas Company shall have filed with the County Court of Harrison County a written acceptance of this ordinance of franchise over the seal of the Company on or before the 1st day of July, 1907; in which it shall agree to do the things required of it, and to in good faith comply with the provisions of this order.

762 (Order Entered June 19, 1907.)

### Hope Natural Gas Company Franchise Accepted.

This day came Hope Natural Gas Company, a corporation by its attorneys, A. B. Fleming, Charles Powell and Kemble White, and filed in open court a written acceptance of the ordinance or franchise granted by the County Court of Harrison County to said Hope Natural Gas Company, its successors or assigns, on the 3rd day of April, 1907, which acceptance bears date the 3rd day of May, 1907, and is duly executed over the seal of said Hope Natural Gas Company, by John G. Pew, Vice President, and attested by Christy Payne, Secretary. And it appearing to the Court that the said written acceptance complies in all respects with the requirements of said franchise, it is ordered that said written acceptance be filed with the papers in this matter, and that said Hope Natural Gas Company, its successors and assigns, be allowed to exercise the rights granted by said franchise.

763 STATE OF WEST VIRGINIA:

At a regular term of the County Court of Harrison County, West Virginia, continued and held at the court house of said County, on

the 14th day of September, 1908, the following order was made and entered:

Hope Natural Gas Company, Hutton Gas Company,  
Franchise Partly Revoked.

This day came William Jarvis, Hannibal Perine and others and presented their petition asking the court to revoke and annul the order entered on the 27th day of June, 1905, directing and authorizing the grant of license and permission to Hutton Gas Company and its assigns to lay pipe lines, for purposes in said order prescribed, in the public roads of said county, and to revoke any license that may exist in pursuance of said order; and presented with said petition a notice to the Hope Natural Gas Company, a corporation, of intention of petitioners to present said petition to the court on this day, on which said notice there appears an acceptance of service thereof by M. J. Rathbone, attorney in fact, of record, for said Hope Natural Gas Company, the 11th day of September, 1908; and the said petition and notice are now here filed. And it appearing to the Court that the said Hutton Gas Company has transferred, or attempted to transfer, to the said Hope Natural Gas Company all of the privileges, if any, of said former company under the order of court aforesaid, and that said privileges are now claimed by said Hope Natural Gas Company by virtue of said assignment, and that it was not necessary or proper for petitioners to give notice of the presentation of this petition of any person, firm or corporation, other than said

764 Hope Natural Gas Company, thereupon, upon argument of counsel for petitioners as well as for said Hope Natural Gas Company, the court, upon consideration of the matters herein presented, is of opinion to, and doth hereby revoke and annul the said order of June 27, 1905, in so far as the same has not been accepted by said Hutton Gas Company and is now in actual use by said Hope Natural Gas Company.

765 STATE OF WEST VIRGINIA:

At a regular term of the County Court of Harrison County West Virginia, continued and held at the court house of said County, on the 27th day of June, 1905, the following was made and entered:

The Hutton Gas Company Franchise Granted.

Upon the application of Hutton Gas Company for license and permission to lay and maintain pipe lines in any of the public roads and bridges of this county, for the conveyance of gas, and the Court having considered such application, it is ordered that the said applicant or his assigns, be granted the right to use the public roads and bridges of Harrison County, where it is a matter of necessity, for the purpose of laying pipe lines through, upon and along the same to transport oil and gas; upon the condition that the said Hutton Gas Co. or his assigns shall so use the said roads and bridges as to cause the least possible damage to the same, and so as not to interfere



with the rights of the public. Said applicant, or assigns shall restore and leave said roads in as good condition after laying such pipe lines as they were before, said pipe lines to be covered with a covering of not less than twelve inches and also to be laid in such manner as not to interfere with any other pipe line now laid in or along said road. And if at any time by reason of working the said roads, it should become necessary to lower such pipe line, at any point, said company shall lower the same at its own expense. It is understood that in the granting of this franchise the said Hutton Gas Company, their successors or assigns, shall, where it is a matter of necessity, to cross any bridge or bridges of this county to lay said line or lines under the floors of said bridges, and to restore the floor of the same in as good condition as they were before, if in any way injured. And it is further agreed and understood that the traveled bed of any road or roads used by the said Hutton Gas Company, their successors or assigns, shall not be used except where it is unavoidable.

This franchise to expire in fifty years from the date hereof.

Notice of said application was published for 30 consecutive days as required by law in The Clarksburg News, prior to application to the County Court.

STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, Clair N. Parrish, Clerk of the County Court of Harrison County, State of West Virginia, certify that the foregoing are true, correct and complete copies of the following orders made and entered by said County Court, as follows:

1. Order granting franchise to Hope Natural Gas Co., on April 3, 1907, and order recording acceptance thereof by Hope Natural Gas Co. entered on June 19, 1907.
2. Order granting franchise to Reserve Gas Co. entered on July 18, 1906.
3. Order granting franchise to Hutton Gas Co. entered on June 27, 1905.
4. Order entered Sept. 14, 1908, revoking in part said Hutton Gas Co. franchise as against Hope Natural Gas Co., assignee thereof.

In Testimony Whereof I have hereunto set my hand and affixed the seal of said court, at the court house of said county, on this the 7th day of February, 1921.

[Seal of the County Court, Harrison County, West Virginia.]

CLAIR N. PARRISH,  
*Clerk.*

STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, D. W. Cork, President of the County Court of Harrison County, State of West Virginia, do certify that Clair N. Parrish, by whom the foregoing attestation was made, was, at the date thereof, Clerk of the said court duly qualified, and that the said attestation 768 & 769 is in due form of law and made by the proper officer. Witness by hand and seal on this the 7 day of February, 1921.

D. W. CORK. [SEAL.]

STATE OF WEST VIRGINIA,  
*County of Harrison, To wit:*

I, Clair N. Parrish, Clerk of the County Court of Harrison County, State of West Virginia, do certify that the Honorable D. W. Cork, by whom the above certificate was given and whose name is hereto subscribed in his own proper handwriting, was, at the date thereof, President of the said County Court of Harrison County, State of West Virginia, duly commissioned and qualified.

In witness whereof I have hereunto set my hand and affixed the seal of said Court, at the court house of said county, on this the 7th day of February, 1921.

[Seal of the County Court, Harrison County, West Virginia.]

CLAIR N. PARRISH,  
*Clerk.*

770 HOPE RATE APPLICATION, W. VA. EX. 53.

EX. W. VA. NO. 53. O. L. H.

(Copy.)

State of West Virginia,

Public Service Commission,

Division A. Public Service Corporation

No. 663.

In the Matter of the Application of HOPE NATURAL GAS COMPANY  
for Authority to Change Its Rates, Tolls, and Charges.

Comes now the above named Hope Natural Gas Company, the Petitioner herein, and respectfully shows to the Commission as follows:

(1) That it is a corporation organized and doing business under the laws of the State of West Virginia.

(2) That its principal place of business is in the following towns where it distributes natural gas and in neighboring country districts and villages, viz: Belmont, Clarrington, Colliers, Eureka, Fairview, Friendly, Glovers Gap, Littleton, Lima, Lost Creek, Mt. Clare, Mannington, Metz, Minora, Parkersburg, Paden City, Pine Grove, St. Marys, Sistersville, Smithfield, Williamstown and Wileyville, West Virginia, and that it is a public service corporation engaged in the management and operation of a natural gas plant in said cities and towns and that as such public service corporation in the service of natural gas to the domestic consumer it is subject to the provisions of Chapter 9, Acts of the Legislature of West Virginia for 1913 and 1915, and of the Code of West Virginia, applicable to this class of corporations.

(3) That on the date hereof it has in effect the schedule of rates and charges shown on its Rate Schedule No. 4 attached hereto and marked Exhibit 1."

(4) That it applies to The Public Service Commission for authority to change its rates for the following reasons:

(a) To reimburse the company for the expense incurred in extraordinary drilling operations in the search for, production and transportation of gas.

(b) To reimburse the company for the increasing cost of gas, labor, materials and operations.

(c) To reimburse the company for the increased cost of maintaining its supply by reason of the necessity for drilling and increasing number of wells by reason of the depletion of the fields.

(d) To secure a fair return on capital invested.

(e) To secure a fair and reasonable return for the value of the service rendered.

(f) To obtain a readjustment of rates on an equal basis between different localities and on a fair basis between classes of consumers.

51 (g) To meet changing conditions imposed by reason of communities and industries working upon Federal and war contracts.

(5) That application is hereby made for authority to change the rates of said applicant and to put into effect the following schedule to become operative and effective on the 1st day of January, 1918:

Rates—Class 1: Domestic Consumers.

Parkersburg, Williamstown, Sistersville, Friendly, Belmont, Paden City, Eureka, Lima, St. Marys, Clarrington and neighboring country districts and villages:

25 cents per thousand cubic feet less 2 cents per thousand cubic feet for payment within the discount period. (A.)

Mannington, Mt. Clare, Minora, Lost Creek, Pine Grove, Smithfield, Littleton, Wileyville, Metz, Glovers Gap, Fairview, and neighboring country districts and villages:

23 cents per thousand cubic feet, less 2 cents per thousand cubic feet for payment within the discount period. (A.)

Colliers:

32 cents per thousand cubic feet, less 2 cents per thousand cubic feet for payment within the discount period. (A.)

### Discount Period.

The scheduled discount is allowed upon each month's gas bill if paid on or before the last day noted on such bill for the allowance of discount, with the day following as a day of grace; in case of the day of grace falls on Sunday or a legal holiday, the next following business day is recognized as the day of grace. Patrons in order to secure the discount, must make payment of bills during the regular office hours of the Company or during the regular office hours of the banks or offices authorized as collecting agents. A remittance through the mail is not deemed payment within the discount period unless it is received by the Company at one of its offices during business hours before the end of the day of grace. No discounts are allowed unless the current as well as all previous bills are paid in full. Meters are read monthly and bills are rendered as nearly as practicable on the same day of each month and so as to allow for discount, ten days, excluding the day of grace. Patrons are required to pay monthly, and in case bills are not received at the usual time, patrons should inquire for the same within the discount period in order to be entitled to the discount upon payment. (N.)

### Rates—Class II: Gas Engines.

Same as for Class I for the first 500,000 cubic feet used in each calendar month, and for all over 500,000 cubic feet used in a calendar month, 5 cents less per thousand cubic feet, subject to the Class I discount. (A.)

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### Rates—Class III.

Parkersburg, Williamstown, St. Marvs, Sistersville, Friendly, Paden City, Belmont, Eureka, Lima, Clarrington, and neighboring country districts and villages; also Wood and Pleasants Counties; and Calhoun, Ritchie, Wirt, southwest portion of Tyler and western portion of Gilmer Counties, known as Schultz and Southern Districts on the books of the company (including gas by meter for field operations in said districts, such as drilling wells, cleaning out, pumping oil and water, etc.):

24 cents per thousand cubic feet for the first 150,000 cubic feet consumed in a calendar month; 17 cents per thousand cubic

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et for the second 150,000 cubic feet consumed in a calendar month; 14 cents per thousand cubic feet for all over 300,000 cubic feet consumed in a calendar month. (A.)

ton, Mt. Clare, Minora, Lost Creek, Pine Grove, Smithfield, on, Wileyville, Metz, Glovers Gap, Fairview, and neighboring districts and villages, and places included within the divisions known on the books of the company as the following working districts: Bridgeport, Buffalo, Fairview, Fink, Cha, Pine Grove, Mannington, Littleton, Salem, Shirley, and Wetzel (Including also gas by meter for field operations such as drilling wells, cleaning out, pumping oil and water, said districts.):

cents per thousand cubic feet for the first 150,000 cubic feet consumed in a calendar month; 17 cents per thousand cubic feet for the second 150,000 cubic feet consumed in a calendar month; 13 cents per thousand cubic feet for all over 300,000 cubic feet consumed in a calendar month.\* (A.)

ndow Glass Company near West Union:  
cents per thousand cubic feet for the first 150,000 cubic feet consumed in a calendar month; 17 cents per thousand cubic feet for the second 150,000 cubic feet consumed in a calendar month; 11 cents per thousand cubic feet for all over 300,000 cubic feet consumed in a calendar month.\* (A.)

#### Rates—Class IV.

itory excepting places noted under exceptions:  
cents per thousand cubic feet, net. (A.)

#### Note—Exceptions.

Borough Buildings:  
cents per thousand cubic feet net, until expiration of ten year contract.

nty Public Jail and Court House:  
cents per thousand cubic feet, net. Right of way contract e. (A.)

#### Rates—Class V.

rg City Hall and City Utilities, and Sistersville City Water

III Parkersburg and Sistersville rate. (A.)

on Water Works:  
ts per thousand cubic feet, net.

: Less 1 cent per thousand cubic feet for payment on or before the month following that in which the gas is supplied.

## Note to All Meter Service.

Meter service is based upon a meter pressure not exceeding 8 ounces. If gas is supplied at a higher pressure, the meter measurements are corrected according to Boyle's Law.

## Flat rate service:

Field operations, such as drilling wells, cleaning out, pumping oil and water, etc., applicable only in the case of isolated wells, all others being embraced in the meter rate for Class III:

## Entire territory:

Drilling or cleaning out wells, boiler, single tour of 12 hours or less, \$4.00, double tour.....	\$7.50
Forge for drilling or cleaning out, per tour of 12 hours or less.....	.50
Lawn lights for drilling well, per night.....	.50
Heating stove with mixer, Nov. 1st to April 1st, per month.....	7.50
Pumping water for drilling or cleaning out, per day for total days of drilling or cleaning out.....	1.00
Pumping wells with boiler and engine, per month, steam **.....	15.50
Pumping wells with gas engine, first well, per month...	7.50
Each additional well on same gas engine.....	3.00
Cleaning out wells, per tour 12 hours or less, gas engine.....	1.50
Steaming oil, pumping out oil, per tank of 600 bbls., each service.....	4.00
Steaming oil, pumping out oil, per tank of 250 bbls., each service.....	1.75
Steaming oil, pumping out oil, per tank of 100 bbls., or under each service.....	1.00
Pumping wqter, Donkey pumps, jetting water, steam, per tour 12 hours or less.....	2.00
Pulling casing rods *, or tubing wells *, 12 hours or less, steam.....	3.50
Pulling casing, rods, or tubing wells *, 12 hours or less, gas engine.....	2.00
Drilling machines, 10 H. P. or less, per tour 12 hours or less.....	3.00

774 NOTE.—The above rates are for low pressure burners only; high pressure burners using 2 pounds or more gauge pressure to the square inch are not permitted; in other respects the rates apply to the customary gas burning appliances in general use; if special appliances are used rates will be quoted on application.

\*\*Charge for pumping wells is \$15.50 per month each, whether gas is used one day or a full month.

\*No charge for tubing or pulling rods or pumping wells when rate is \$15.50 per month for pumping same is paid.

NOTE.—The lawn lights hereinbefore mentioned are Irwin's lawn lights or burners of like capacity.

### Street Lighting.

The rates for street lighting service, based upon the use of natural gas from 5 P. M. to 7 A. M. of each day from April 1st to October 1st, and from 4 P. M. to 8 A. M. each day from October 1st to April 1st, the consumer furnishing and maintaining the lamps, are as follows:

entire territory, excepting in places noted under exceptions:

\$5.00 per year for each lamp with one mantle, and \$2.50 per year in addition for each additional mantle in each lamp.  
(A.)

### Note—Exceptions.

irview:

Ten cents per mantle per month, until June 23, 1919; thereafter at the published rate above set forth for the entire territory.

### Special Flat Rates.

nington:

One garbage fire, \$10 per month.

All rates are subject to change on notice given according to law and subject to the rules and regulations published on contracts.

(6) The definition of the classification of Class III, Manufacturers and other large consumers, is changed to read as follows:

Class III. Manufacturers and Other Large Consumers (such as consumers using gas for manufacturing purposes and for fuel boiler boilers and manufacturing furnaces) who can be shut off immediately in order to provide an ample supply to Classes I, II and IV. Contracts to be made for short term only. The contracts in this class must contain the following clause:

That the party of the first part shall have the right to discontinue the supply of gas under this agreement temporarily, whenever it shall deem it necessary to do so in order to deliver a full supply to consumers classified by it as Domestic and Special Consumers.'

This company in selling gas to Classes II and III is not engaged in public service and does not hold itself out as able or willing to supply patrons with gas for such purposes by special contract; the gas so sold is surplus gas over and above the amount available for the preferred or domestic service, and being variable in amount can only be contracted to be sold limited as to time, volume and place of delivery but in contracting for the service uniformity of price and equality of service is attempted as far as possible. Where application is made by a Class III consumer at a



time when the company is carrying its peak load, conditions may require a refusal of the application or its acceptance on special conditions as to time and volume."

(7) No other public service corporations are interested in the schedule or change of rates.

Whereas, the said Hope Natural Gas Company prays that after due hearing and investigation, the Public Service Commission may make an order granting the application herein and establishing the proposed rates and charges, or such rates and charges as it may find to be equitable within its jurisdiction.

Dated at Pittsburgh, Pennsylvania this 26th day of November 1917.

HOPE NATURAL GAS COMPANY

(Signed) By JOHN G. PEW, *Vice President.* *Applicant*

STATE OF PENNSYLVANIA,  
County of Allegheny, ss:

John G. Pew, the Vice President of Hope Natural Gas Company, a public service corporation, the applicant named in the foregoing petition, being duly sworn says that he is the Vice President of the said corporation and knows the contents of said petition, and that the facts and allegations therein contained are true, except such as are therein stated upon information and belief, and that as to such allegations he believes them to be true.

(Signed) JOHN G. PEW,  
*Vice President.*

Taken, sworn and subscribed before me this 26th day of November, A. D. 1917.

(Sgd.) GEO. A. KINLEY,  
*Notary Public.*

My Commission expires: March 25, 1921.

776 STATE OF WEST VIRGINIA, To wit:

The Public Service Commission.

I, R. B. Bernheim, Secretary of The Public Service Commission of West Virginia, do hereby certify that the foregoing is a true and correct copy of the application filed by the Hope Natural Gas Company in: Case No. 663, Hope Natural Gas Company, application for change rates, now pending before said Commission.

I do hereby certify that the seal of The Public Service Commission of West Virginia was lost in the fire which destroyed the State House on January 3, 1921.

Given under my hand at the offices of the Commission in the City of Charleston, this 7th day of February, 1921.

[SEAL.] H. B. BERNHEIM,  
*Secretary.*

777 UNITED FUEL RATE APPLICATION, W. VA. Ex. 54.

Ex. W. VA. No. 54. O. L. D.

State of West Virginia,

The Public Service Commission,

Charleston.

No. 585.

In the Matter of the Application of UNITED FUEL GAS COMPANY for Authority to Change Its Rates, Tolls, and Charges.

Comes now the above named United Fuel Gas Company, the Petitioner herein, and respectfully shows to the Commission as follows:

(1) That it is a corporation organized and doing business under the laws of the State of West Virginia.

(2) That its principal place of business is in the City of Charleston, West Virginia, and that it is a Public Service Corporation engaged in the management and operation of a natural gas plant in said City and elsewhere, and that as such public service corporation it is subject to the provisions of Chapter 9, Acts of the Legislature of West Virginia for 1913, as subsequently amended.

(3) That the following is a correct schedule of the rates at this time charged by Petitioner for natural gas at the several places mentioned below, to-wit:

Kenova, Wayne County.

Domestic service:

22 cents per thousand cubic feet, subject to a discount of 2 cents per thousand cubic feet for payment on or before the 10th day of the month following that in which the gas is consumed.

Manufacturing service:

First 150,000 cu. ft. each calendar month 21¢ per M cu. ft.

Second 150,000 cu. ft. each calendar month 16¢ per M cu. ft.

All over 300,000 cu. ft. each calendar month 11¢ per M cu. ft.

All subject to a discount of 1¢ per thousand cubic feet if paid on or before the 20th day of the month following that in which the gas is consumed.

778

Ceredo.

Same rate for domestic service as Kenova. No rate for manufacturing service.

## Huntington and Barboursville, Cabell County.

## Domestic service:

16 cents per thousand cubic feet, subject to a discount of 1 cent per thousand for payment on or before the 10th day of the month following that in which the gas is consumed.

## Manufacturing service:

First 150,000 cu. ft. each calendar month 16¢ per M cu. ft.

Second 150,000 cu. ft. each calendar month 15¢ per M cu. ft.

All over 300,000 cu. ft. each calendar month 11¢ per M cu. ft.

All subject to a discount of 1¢ per thousand cubic feet if paid on or before the 20th day of the month following that in which the gas is consumed.

## Hurricane, Culloden, Poca, and Ona, Putnam County.

## Domestic service:

22 cents per thousand cubic feet, subject to a discount of 2 cents per thousand for payment on or before the 10th day of the month following that in which the gas is consumed.

Rate for street lamps at Hurricane, 25 cents per lamp per month.

No rate for manufacturing service at Hurricane, Culloden, Poca or Ona.

## Charleston and Coalburgh, Kanawha County.

## Domestic service:

17 cents per thousand cubic feet, subject to a discount of 2 cents per thousand for payment on or before the 10th day of the month following that in which the gas is consumed.

## Manufacturing service:

First 150,000 cu. ft. each calendar month 16¢ per M cu. ft.

Second 150,000 cu. ft. each calendar month 12¢ per M cu. ft.

All over 300,000 cu. ft. each calendar month 8¢ per M cu. ft.

779 All subject to a discount of 1 cent per thousand cubic feet if paid on or before the 20th day of the month following that in which the gas is consumed.

(4) Petitioner now applies to The Public Service Commission for authority to change its rates for the reasons that the present rates do not afford to Petitioner an adequate return for the service rendered nor upon its capital invested for the purpose of maintaining such service; that the return to Petitioner from said present rates is not commensurate with the value of the service rendered by it to its patrons, and that the proposed new rates are just and reasonable.

In this connection, Petitioner avers that it purchased the natural gas plant used in the service of all the localities above mentioned in the year 1909, at which time the rates charged by the predecessor of your Petitioner at the places aforesaid was greater than that now charged by Petitioner, notwithstanding the fact that the natural gas supply has, since the acquisition of said plant by your Petitioner, been diminished and the cost of producing natural gas greatly increased. That at the time of the purchase of said plant by Petitioner in the year 1909, the rate charged for domestic service in the City of Huntington and in the smaller towns in the same general vicinity, was thirty cents per thousand cubic feet, with a discount of five cents per thousand for prompt payment, while at the same time the rate charged in the City of Charleston and the smaller towns in that general vicinity for domestic service was twenty-three cents per thousand cubic feet, subject to a discount of three cents per thousand for prompt payment. Petitioner further shows that the rates now charged by it at the several places above mentioned are less than the intrinsic value of the service furnished, and lower than the rates generally charged by other companies, engaged in the same business as your Petitioner, for like service in a greater number of the localities in which natural gas is supplied.

(5) That application is hereby made for authority to change the rates of said applicant and put into effect the following schedule at the several places above mentioned, to become operative and effective on the 1st day of July, 1917, or as soon as authorized by this Commission, except that, for reasons hereinafter mentioned, the proposed new rate for manufacturing service in Charleston and vicinity, including Coalburgh, is not desired to become operative until the 1st day of October, 1917.

Kenova, Huntington, and Barboursville.

Domestic service:

25 cents per thousand cubic feet, subject to a discount of two cents per thousand cubic feet for payment on or before the 10th day of the month following that in which the gas is consumed.

Manufacturing service:

First 150,000 cu. ft. each calendar month 24¢ per M cu. ft.

Second 150,000 cu. ft. each calendar month 19¢ per M cu. ft.

All over 300,000 cu. ft. each calendar month 11¢ per M cu. ft.

All subject to a discount of 1 cent per thousand cubic feet for payment on or before the 20th day of the month following that in which the gas is consumed.

Ceredo.

Domestic service:

25 cents per thousand cubic feet, subject to a discount of 2 cents per thousand cubic feet for payment on or before the 10th day of the month following that in which the gas is consumed.

## Hurricane, Culloden, Poca, and Ona.

## Domestic service:

24 cents per thousand cubic feet, subject to a discount of 2 cents per thousand for payment on or before the 10th day of the month following that in which the gas is consumed.

Street lamps at Hurricane, 25 cents per lamp per month.

## Charleston and Coalburgh.

## Domestic service:

22 cents per thousand cubic feet, subject to a discount of 2 cents per thousand cubic feet for payment on or before the 10th day of the month following that in which the gas is consumed.

## Manufacturing service:

First 150,000 cu. ft. each calendar month 21¢ per M cu. ft.

Second 150,000 cu. ft. each calendar month 15¢ per M cu. ft.

All over 300,000 cu. ft. each calendar month 9 — per cu. ft.

781 All subject to a discount of 1 cent per thousand cubic feet for payment on or before the 20th day of the month following that in which the gas is consumed.

NOTE.—The proposed new rates set forth in the foregoing schedule relate mainly to domestic service and no change is embodied in said schedule in the rate for manufacturing service at any of said localities, except to change the rate for the first 150,000 cubic feet of gas used during any month to the proposed new domestic rate and to increase the rate for the second 150,000 cubic feet proportionately.

In this connection, your Petitioner shows that on the — day of November, 1916, it filed its application with this Commission to increase the rate charged by it for manufacturing service in the City of Charleston, and vicinity, including Coalburgh, the said application being known as proceeding No. 508. That, during the pendency of said proceeding, your Petitioner made an agreement with its manufacturing consumers in said City of Charleston by which the rate now charged for manufacturing service in said City, as hereinbefore set forth, was fixed by consent to be operative until the 1st day of October, 1917, and said manufacturing consumers in said City of Charleston agreed that they would not oppose a further increase to be operative October 1st, 1917, of an additional one cent per thousand cubic feet for all gas used during any calendar month in excess of 300,000 cubic feet. Because of said arrangement, Petitioner does not now desire that the increased rate for manufacturing service in the City of Charleston and vicinity, including Coalburgh, applied for in this petition, shall be operative prior to October 1st, 1917, but Petitioner prays that the said increased rate herein

applied for shall be operative in said City of Charleston and vicinity, including Coalburgh, on and after October 1st, 1917. Petitioner herewith refers to the said proceeding known as No. 508 and the record thereof, and prays that the same may be read as a part of this, its application.

(6) Petitioner says that no other public service corporation has any direct interest in the schedule or change of rates above set forth, except that Huntington Gas and Development Company is engaged in supplying natural gas in competition with your Petitioner in the City of Huntington and the vicinity thereof. Your Petitioner has, for several years, charged the same rate in the said City of Huntington as its competitor and its present rate in said City of Huntington was put into operation to meet the said competition.

Wherefore, the said United Fuel Gas Company prays that after due hearing and investigation, the Public Service Commission may make an order granting the application herein and establishing the proposed rates and charges, or such rates and charges as it may find to be equitable in the premises, all to be effective as of July 1st, 1917, except the proposed new rate for manufacturing service in the City of Charleston and vicinity to be effective as of October 1st, 1917.

Dated at Charleston, West Virginia, this 21st day of May, 1917.

UNITED FUEL GAS COMPANY,

*Applicant,*

By R. G. ALTIZER,

*Vice President.*

STATE OF WEST VIRGINIA,  
*County of Kanawha, To wit:*

R. G. Altizer, Vice President of United Fuel Gas Company, the applicant named in the foregoing petition, being duly sworn, says that he is Vice President of the said corporation, and knows the contents of said petition, and that the facts and allegations therein contained are true, except such as are therein stated upon information and belief, and that as to such allegations he believes them to be true.

R. G. ALTIZER,  
*Vice President.*

Taken, sworn to and subscribed before me this 21 day of May, 1917.

D. C. JAY,  
*Notary Public in and for said County.*

My commission expires on the 2d day of Marcy, 1925.

783 STATE OF WEST VIRGINIA, *To wit:*

The Public Service Commission.

I, R. B. Bernheim, Secretary of The Public Service Commission of West Virginia, do hereby certify that the foregoing is a true and correct copy of the application filed by the United Fuel Gas Company in: Case No. 585, United Fuel Gas Company, application for authority to increase rates, lately pending before said Commission.

I do hereby certify that the seal of The Public Service Commission of West Virginia was lost in the fire which destroyed the State House on January 3, 1921.

Given under my hand at the offices of the Commission in the City of Charleston, this 7th day of February, 1921.

[SEAL.]

R. B. BERNHEIM,  
*Secretary.*

784 PGH. & W. VA. RATE APPLICATION, W. VA. EX. 55.

Ex. W. VA. No. 55. O. L. H.

Before the Public Service Commission of the State of West Virginia.

No. 1105.

In re Application of PITTSBURGH AND WEST VIRGINIA GAS COMPANY for Authority to Change Rates and Charges for Gas Service in the Counties of Harrison, Doddridge, Lewis, Marion, Monongalia, Taylor, Tyler, Gilmer, and Wetzel, West Va.

Comes now the above named Pittsburgh and West Virginia Gas Company, the petitioner herein and respectfully shows to the Commission as follows:

(1) That it is a public service utility, doing business under the laws of the State of West Virginia.

(2) That its principal place of business is in the City of Pittsburgh, Pennsylvania, and that it is a public service corporation engaged in the production, transportation and sale of gas in the Counties of Harrison, Doddridge, Lewis, Marion, Monongalia, Taylor, Tyler, Gilmer, and Wetzel, West Virginia, and furnished gas in the following Cities and Towns in the said Counties: Grafton, Shinnston, Blueville, Boothville, Burton, Colfax, Daybrook, Enterprise, Fetterman, Fleming, Gypsy, Haywood, Hutchinson, Lumberport, Pruntytown, Rosebud, Rosemont, Thornton, Worthington, Industrial, Weston and Mannington, and other towns, and to many consumers in towns and villages along its lines in the Counties aforesaid, and as such public service corporation it is subject to the provisions of Chapter 15-0 of the Code of West Virginia, 1916, applicable to this class of public service utilities.



(3) That at this time it has in effect the following schedule of rates for gas:

*Rate for Gas Supplied for Domestic Service, Use in Public Buildings, Industrial Purposes, Drilling Wells, and All Other Purposes.*

The rate for natural gas sold for domestic service, for use in public buildings, for industrial purposes, for the drilling of wells, and for all other purposes, is thirty-two cents per thousand cubic feet, less a discount of two cents per thousand cubic feet for prompt payment of monthly bills.

These rates are effective in all localities served by the said Pittsburgh and West Virginia Gas Company, with the exception of the town of Industrial, in Harrison County, West Virginia and also with the exception of Taylor County, West Virginia.

35 In Taylor County, West Virginia, the following rates are in force:

Class 1. Domestic.—The rate for natural gas for domestic consumption is thirty cents per thousand cubic feet, less a discount of two cents per thousand cubic feet for prompt payment of monthly bills.

Class 2. Public Schools, Public Buildings (National, State, County, and City), Public Hospitals and Churches.—The rate for natural gas is twenty eight cents per thousand cubic feet, less a discount of two cents per thousand cubic feet for prompt payment of monthly bills.

Class 3. Industrial and Drilling Service.—The rate for natural gas supplied during each calendar month is twenty-five cents per thousand cubic feet, less a discount of two cents per thousand cubic feet for prompt payment of monthly bills.

(4) That it applies to the Public Service Commission for authority to change its rates for the reason that said rates are inadequate and insufficient to meet the increase in the cost of production of its product, and the sale of its product to the consumers, and to provide a fair return to applicant for its services. The rapid increase in the cost of materials, the rise in the rate of wages which must be paid all labor, the increased cost of drilling wells and the decreased production of wells are some of the factors which make necessary the increase to consumers in the rates here applied for. The Company must also now pay a higher price for gas purchased in the field which is a large item of its costs.

(5) That application is hereby made for authority to change the rates of said applicant in the Counties of Harrison, Doddridge, Lewis, Marion, Monongalia, Taylor, Tyler, Gilmer and Wetzel, in the State of West Virginia and to put into effect the following schedules:

### Domestic service:

The rates for gas sold for domestic service, and for use in Public Buildings, Hospitals, Schools and Churches and for all use except Industrial and Drilling service is as follows:

1. A readiness-to-serve charge to each consumer of fifty cents per meter per month, on which there is no discount for prompt payment. This charge is in addition to the charge for gas consumed.

2. A Quantity Charge for gas consumed each month as follows:

For the first 10,000 cubic feet in each month, forty two cents per thousand cubic feet.

For the next 10,000 cubic feet in each month, forty seven cents per thousand cubic feet.

786 For the next 5,000 cubic feet in each month, fifty two cents per thousand cubic feet.

For all over 25,000 cubic feet in each month, fifty seven cents per thousand cubic feet.

The Quantity Rate is subject to a discount of Two Cents per thousand cubic feet for payment of monthly bills within the discount period provided in the Rules and Regulations.

### Industrial and drilling service:

The Rate for gas sold for Industrial Service and for Drilling of Wells, is forty-two cents per thousand cubic feet less a discount of two cents per thousand cubic feet for payment of monthly bills within the discount period provided in the contract or the Rules and Regulations. The Company reserves the right to curtail or discontinue the supply of gas to industrial and drilling consumers whenever it shall be necessary to do so in order to supply gas to its domestic consumers.

### Flat rate for incandescent street lamps:

Where gas is used for lighting street lights the rate is twelve (\$12.00) dollars per year for single mantle lamps, and for each additional single mantle burner on the same lamp the rate is six (\$6.00) dollars per year. The Company reserves the right to discontinue service to lamps persistently left burning during the daytime. This rate is for street lights where it is not practicable to measure the gas by meter.

The rates are effective in all localities served by the Pittsburgh and West Virginia Gas Company, in the State of West Virginia.

(6) Applicant believes that no other public service utility is interested in this proposed change of rates except the Monongahela Valley Traction Company at Fairmont, West Virginia.

Wherefore the said applicant prays that after due hearing and investigation the Public Service Commission may make an order granting the application herein and establishing the proposed rates

and charges or such rates and charges as it may find to be equitable in the premises.

Dated at Pittsburgh, Pennsylvania, this — day of August, A. D. 1920.

PITTSBURGH AND WEST VIRGINIA GAS  
COMPANY,

By A. HURLBURT,  
*General Manager.*

A. W. ROBERTSON,  
B. V. McCLENTIC,  
J. H. GAINES,  
*Attorneys.*

STATE OF WEST VIRGINIA,  
*County of Kanawha, ss:*

A. Hurlburt, General Manager of the Pittsburgh and West Virginia Gas Company, named in the foregoing application, being duly sworn, says that the facts and allegations therein contained are true, except so far as they are therein stated to be on information, and that so far as they are therein stated to be upon information, he believes them to be true.

A. HURLBURT.

Taken, sworn to and subscribed before me this 14th day of August, A. D. 1920.

L. E. McWHORTER,  
*Notary Public.*

My Commission expires on the 26th day of Jany., 1927.

STATE OF WEST VIRGINIA, *To wit:*

The Public Service Commission.

I, R. B. Bernheim, Secretary of The Public Service Commission of West Virginia, do hereby certify that the foregoing is a true and correct copy of the application filed by the Pittsburgh & West Virginia Gas Company in: Case No. 1105, Pittsburgh & West Virginia Gas Company, application for authority to increase rates, now pending before said Commission.

I do hereby certify that the seal of The Public Service Commission of West Virginia was lost in the fire which destroyed the State House on January 3, 1921.

Given under my hand at the offices of the Commission in the City of Charleston, this 7th day of February, 1921.

[SEAL.]

R. B. BERNHEIM,

*Secretary.*

789      RESERVE CO. RATE APPLICATION, W. VA. EX. 56.

EX. W. VA. No. 56.    O. L. H.

The Public Service Commission of West Virginia,  
Capitol Building,  
Charleston.

A meeting of the Public Service Commission of West Virginia,  
held on the 25th day of November, 1918.

\*           \*           \*           \*           \*           \*           \*

Case No. 828.

RESERVE GAS COMPANY.

Application to Change Rates on Natural Gas.

Whereas, application has this day been filed by the Reserve Gas Company for authority to change its gas rates, it is ordered that leave be granted to any one interested to file objection thereto before the Commission at any time on or before the 14th day of January, 1919, and this matter be set down for hearing at a meeting of the Commission to be held at its offices in the Capitol Building in the City of Charleston on the said 14th day of January, 1919, at two o'clock p. m., at which time any one may appear and make such objection thereto as may be deemed proper.

It is further ordered that the applicant publish a copy of this order once each week for four successive weeks in two newspapers of opposite politics, if such there be, and of general circulation in the county or counties affected by the proposed change in rates; and said applicant shall also mail to or serve on each of its consumers affected by the proposed change in rates at least fifteen days prior to the said 14th day of January, 1919, a written notice in the form prescribed by the Commission, showing that it has applied to The Public Service Commission for authority to change its rates, the time and place of such hearing, and the rates proposed to be charged by it; making due return thereof to this Commission on or before the day of hearing.

A copy.

Teste:

R. B. BERNHEIM,  
*Secretary.*

STATE OF WEST VIRGINIA, *To wit:*

The Public Service Commission.

R. B. Bernheim, Secretary of The Public Service Commission West Virginia, do hereby certify that the foregoing is a true and correct copy of an order entered by The Public Service Commission November 25, 1918, filing and setting down for hearing the application of the Reserve Gas Company in: Case No. 828, Reserve Gas Company, application for authority to change rates.

I do hereby certify that the seal of The Public Service Commission West Virginia was lost in the fire which destroyed the State House January 3, 1921.

Given under my hand at the offices of the Commission in the City of Charleston, this 7th day of February, 1921.

[SEAL.]

R. B. BERNHEIM,  
*Secretary.*

RESERVE CO. RATE ORDER, W. VA. EX. 57.

EX. W. VA. NO. 57. O. L. H.

The Public Service Commission of West Virginia,

Capitol Building,

Charleston.

Regular session of the Public Service Commission of West Virginia, for the month of March, held on Tuesday, the 11th day of March, A. D., 1919.

\* \* \* \* \*

Case No. 828.

RESERVE GAS COMPANY.

Application to Change Rates.

On this day this cause came on again to be heard upon the papers heretofore filed herein, upon the evidence heretofore taken herein, and upon the present record thereof and upon the argument of counsel. Upon consideration whereof, the Commission is of opinion that the rates asked to be put into effect by said applicant as to the villages of Oxford and Camden, are just and reasonable.

It is, therefore, ordered that said application, in so far as the same is excepted and left open for further consideration, by the order entered herein on January 16, 1919, be, and the same is hereby ordered, to include the villages of Oxford and Camden, to take effect on and after the meter readings for the month of March, 1919,

following this day, and as to flat rate service for street lighting service, on March 20, 1919.

The rates and charges herein allowed and granted as to the said villages of Oxford and Camden are the same rates and charges as particularly set forth in said order of January 16, 1919, as to all other territory of the Reserve Gas Company in said order specified, being particularly described and set forth in "Natural Gas Rate Schedule No. 5," part of applicant's petition herein.

A copy.

Teste.

R. B. BERNHEIM,

*Secretary.*

792 STATE OF WEST VIRGINIA, *To wit*

The Public Service Commission

I, R. B. Bernheim, Secretary of The Public Service Commission of West Virginia, do hereby certify that the foregoing is a true and correct copy of an order entered by The Public Service Commission on March 11, 1919, in Case No. 828, Reserve Gas Company, application to change rates.

I do hereby certify that the seal of The Public Service Commission of West Virginia was lost in the fire which destroyed the State House on January 3, 1921.

Given under my hand at the offices of the Commission in the City of Charleston, this 7th day of February, 1921.

[SEAL.]

R. B. BERNHEIM,

*Secretary.*

793 MFG. CO. RATE APPLICATION, W. VA. EX. 58.

EX. W. VA. No. 58. O. L. H.

The Public Service Commission of West Virginia, Capitol Building,  
Charleston.

A meeting of the Public Service Commission of West Virginia, held on the 24th day of June, A. D., 1920.

\* \* \* \* \*

Case No. 1071.

MANUFACTURERS LIGHT & HEAT COMPANY.

Application for Authority to Change Rates.

Whereas, application has this day been filed by the Manufacturers Light & Heat Company for authority to change its rates, it is ordered that leave be granted to any one interested to file objection

thereto before the Commission at any time on or before the 26th day of July, 1920, and this matter be set down for hearing at a meeting of the Commission to be held at its offices in the Capitol Building in the City of Charleston on said 26th day of July, 1920, at ten o'clock a. m., at which time any one may appear and make such objection thereto as may be deemed proper.

It is further ordered that the applicant publish a copy of this order once each week for four successive weeks in two newspapers of opposite politics, if such there be, and of general circulation in the county or counties affected by the proposed change in rates; and said applicant shall also mail to or serve on each of its consumers affected thereby at least twenty days prior to said 26th day of July, 1920, written notice in the form prescribed by the Commission, showing that it has applied to The Public Service Commission for authority to change its rates, the rates proposed to be charged, and the time and place of such hearing; making due return of all thereof on or before the day of hearing.

A copy.

Teste:

R. B. BERNHEIM,

*Secretary.*

794 STATE OF WEST VIRGINIA, *To wit:*

The Public Service Commission.

I, R. B. Bernheim, Secretary of The Public Service Commission of West Virginia, do hereby certify that the foregoing is a true and correct copy of an order entered by The Public Service Commission on June 24, 1920, filing and setting down for hearing the application of the Manufacturers Light & Heat Company in: Case No. 1071, Manufacturers Light & Heat Company, Application for authority to change rates.

I do hereby certify that the seal of The Public Service Commission of West Virginia was lost in the fire which destroyed the State House on January 3, 1921.

Given under my hand at the offices of the Commission in the City of Charleston, this 7th day of February, 1921.

[SEAL.]

R. B. BERNHEIM,

*Secretary.*



795 MFG. CO. RATE ORDER, W. VA. EX. 59.

EX. W. VA. NO. 59. O. L. H.

The Public Service Commission of West Virginia.

Capitol Building,

Charleston.

A meeting of the Public Service Commission of West Virginia held on the 18th day of August, A. D., 1920.

\* \* \* \* \*

Case No. 1071.

MANUFACTURERS LIGHT & HEAT COMPANY.

Application for Authority to Change Its Rates, Tolls and Charges

This cause came on this day to be finally heard upon the application of the Manufacturers Light & Heat Company for authority to change its rates, tolls and charges for natural gas served by it to various communities in said application set out; upon the order of the Public Service Commission on said application entered on the 24th day of June, 1920; upon notices published and served as required by said order; upon the appearances by the City of McMechen, in Marshall county, and the Town of Middlebourne, in Tyler County, protesting against the increases applied for; upon evidence of witnesses for applicant company, together with numerous exhibits filed therewith, and upon the withdrawal of all objections by counsel for said protestants, and was argued by counsel;

Upon consideration of all of which it is ordered that the applicant, Manufacturers Light & Heat Company, be, and it is hereby, authorized to publish and put into effect the following schedule of rates, to wit:

*Schedule of Rates for Domestic Service.*

For all gas furnished and delivered in any one month to domestic consumers in Chester, Congo, Fairview, Follansbee, Hollidays Cove, Newell, New Cumberland, Weirton, Wellsburg, Brooke county and Hancock county:

Forty-seven (47¢) cents per thousand cubic feet, subject to a discount of two (2¢) cents per thousand cubic feet for payment of bill on or before the 10th day of the month following that in which such gas is furnished.

For all gas furnished and delivered in any one month to domestic consumers in Benwood, Glendale, Glenova, McMechen, Moundsville,

Warwood, West Liberty, Marshall county (Clay, Union, Washington, Sand Hill and Webster Districts) and Ohio county:

Forty-five (45¢) cents per thousand cubic feet, subject to a discount of three (3¢) cents per thousand cubic feet for payment of bill on or before the 10th day of the month following that in which such gas is furnished.

796 For all gas furnished and delivered in any one month to domestic consumers in Blacksville, Brooklyn, Cameron, Glen Easton, Hundred, New Martinsville, Sedalia, Doddridge county, Harrison county, Marion county, Marshall county, (Cameron, Franklin, Liberty and Meade districts), Monongalia county, Tyler county and Wetzel county:

Thirty-seven (37¢) cents per thousand cubic feet, subject to a discount of three (3¢) cents per thousand cubic feet for payment of bill on or before the 10th day of the month following that in which such gas is furnished.

Minimum monthly charge to all domestic consumers, 80¢.

The foregoing rates are based upon meter pressure not exceeding eight ounces.

The foregoing rates shall become effective as of August 1, 1920, and shall include all gas consumed after the meter readings of July, provided said meter readings shall not antedate the 25th day of July, 1920.

It is further ordered that in so far as said applicant company seeks, by its application, to have applied rates known as the "sliding scale upward," by which it would be authorized and permitted to charge all consumers to whom it delivers more than 40,000 cubic feet of gas per month a higher rate for such excess, be denied, but the determination of the matters arising thereon is reserved by the Commission for its future decision and order, with leave to the applicant to offer testimony in support of said proposed rates, and for this purpose only this cause is retained on the docket.

It is further ordered that said applicant company shall forthwith file with the Secretary of this Commission its schedule of rates in accordance with the foregoing order, as required by law.

A copy.

Teste:

R. B. BERNHEIM,  
*Secretary.*

797 STATE OF WEST VIRGINIA, *To wit:*

The Public Service Commission.

I, R. B. Bernheim, Secretary of The Public Service Commission of West Virginia, do hereby certify that the foregoing is a true and correct copy of a final order entered by the Commission on August 18, 1920, in: Case No. 1071, Manufacturers Light & Heat Company, application for authority to change rates.

I do hereby certify that the seal of The Public Service Commission of West Virginia was lost in the fire which destroyed the State House on January 3, 1921.

Given under my hand at the offices of the Commission in the City of Charleston, this 7th day of February, 1921.

[SEAL.]

R. B. BERNHEIM,  
*Secretary.*

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PA. PUB. SER. COM. ORDERS, W. VA. EX. 60.

EX. W. VA. NO. 60. O. L. H.

The Public Service Commission of the Commonwealth of Pennsylvania.

COMMONWEALTH OF PENNSYLVANIA, ss:

I, John G. Hopwood, Secretary of The Public Service Commission of the Commonwealth of Pennsylvania, do hereby certify, That the attached are full, true and correct copies of the reports and orders of the said Commission and of the decisions of the Superior Court of Pennsylvania, entered under the dates mentioned, as the same remain of record and on file to the respective numbers, in the office: Louis Franke vs. Johnstown Fuel Supply Company and Peoples Natural Gas Company (C. 1098), December 4, 1917; Peoples Natural Gas Company, Appellant, vs. The Public Service Commission of the Commonwealth of Pennsylvania, Appellee, et al. (No. 111 April Term, 1918, Superior Court of Pennsylvania), October 31, 1918; Trades and Labor Council of Uniontown, et al. (C. 1415) and John Duggan, et al. (C. 1433) vs. Fayette County Gas Company, October 29, 1917; Fayette County Gas Company, Appellant vs. The Public Service Commission of the Commonwealth of Pennsylvania, Appellee, (No. 107 April Term, 1918, Superior Court of Pennsylvania) October 31, 1918; John O. Ulrich vs. Eastern Pennsylvania Light, Heat and Power Company (C. 431) November 23, 1915; John O. Ulrich vs. Eastern Pennsylvania Light, Heat and Power Company (C. 1073), April 3, 1917; Fred Palmer-Porone vs. The Consumers' Gas Company of Reading (C. 1657) October 29, 1917; T. D. Washburn, et al. vs. McKean Natural Gas Company (C. 1644) January 14, 1918; William B. Horton vs. Shenango Valley Electric Light Company (C. 2377) December 10, 1918; City of New Castle, et al. vs. City of New Castle Water Company (C. 2450), March 31, 1919; H. C. Gibson et al. vs. Union Heat and Light Company (C. 2084), April 15, 1919; C. W. Dean vs. Abington Electric Company (C. 2576), May 13, 1919; R. W. Peters, et al. vs. Pennsylvania Gas Company (C. 2914), August 26, 1919; H. N. Fleming vs. Home Heating Company (C. 2965) October 28, 1919; W. Percival Johnson, et al. vs. Philadelphia Suburban Gas and Electric Company (C. 2976) October 28, 1919; H. N. Smith, et al. vs. Home Electric Light and

Steam Heating Company (C. 2974) November 6, 1919; I. N. Hickman, et al. vs. Randall Gas Company (C. 2956) November 11, 1919; F. L. Williams, et al. vs. Union Heat and Light Company (C. 2985-2987) November 25, 1919; Application Glen Mills Electric Company (A. 2785-1919) February 3, 1920; Austin Borough Council vs. Potter Gas Company (C. 3147) April 20, 1920.

In testimony whereof, I have hereunto set my hand and caused the seal of The Public Service Commission of the Commonwealth of Pennsylvania to be affixed, this tenth day of December, 1920.

[Seal The Public Service Commission, Commonwealth of Pennsylvania.]

JNO. G. HOPWOOD,

*Secretary,*

*The Public Service Commission of the  
Commonwealth of Pennsylvania.*

800 The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, 1098.

LOUIS FRANKE

VS.

JOHNSTOWN FUEL SUPPLY COMPANY, PEOPLES NATURAL GAS  
COMPANY.

*Order of the Commission.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and demurrer on file, and having been duly heard and submitted by the parties and full investigation of the matters and things having been had, and the Commission having found that the service which the Peoples Natural Gas Company is engaged in is a public service, and that the Peoples Natural Gas Company is a public service company within the meaning of The Public Service Company Law.

Now, to-wit, December 4th, 1917, it is ordered: That the demurrer of the Peoples Natural Gas Company, be and the same hereby is overruled.

It is further ordered: That the Peoples Natural Gas Company file, post and publish according to law, its tariff and schedule of rates covering the service complained of in this complaint within fifteen days after the service of this order.

And it is further ordered: That the application of the Johnstown Fuel Supply Company requesting permission to put into effect its schedule of increased rates in advance of the final finding and de-

termination of the Commission, be and the same hereby is denied

By the Commission:

(Signed)

WM. D. B. AINEY,  
*C-airman.*

Attest:

(Signed) A. B. MILLAR,  
[SEAL.] *Secretary.*

801

No. 341.

The Public Service Commission of the Commonwealth of  
Pennsylvania.

Complaint Docket, No. 1415.

TRADES AND LABOR COUNCIL OF UNIONTOWN et al.

vs.

FAYETTE COUNTY GAS COMPANY.

Complaint Docket, No. 1433.

JOHN DUGGAN et al.

vs.

FAYETTE COUNTY GAS COMPANY.

A foreign corporation cannot carry on business in Pennsylvania without complying with the laws of this State which practically places it in the category of a domestic corporation. Its foreign character does not put it beyond the control of the Public Service Commission. Without the approval of the Commission it cannot exercise its powers and franchise within the State. The Public Service Company Law specifically places foreign corporations under the control of the Public Service Commission in the same manner as domestic corporations.

Natural gas is an article of commerce and it may be transported, and when so transported from one State to another or between States, is a subject of interstate commerce. It is, however, excepted from the provisions of the Interstate Commerce Act by Act of Congress of June 26, 1906.

A foreign corporation lawfully engaged in furnishing natural gas produced outside of the State of Pennsylvania to consumers within the State of Pennsylvania, is subject to the control of the Pennsylvania Public Service Commission, and the said Commission has jurisdiction in the matter of a complaint alleging that the rates charged by said corporation are excessive, unreasonable and unjust.

## Appearances:

E. C. Higby,  
Harry W. Byrne,  
Representing the Complainants.

L. B. Denning,  
George J. Wolf,  
H. S. Dumbauld,  
Representing the Respondents.

*Report of the Commission.*

## ALCORN, Commissioner:

These cases are before us on demurrers to complaints against an increase in the price of natural gas from 30 cents to 35 cents per thousand cubic feet. The respondent filed a new tariff effective the 26th day of April, 1917. The complaints were filed April 21st, 1917, and April 25th, 1917, respectively.

The parties filed a stipulation wherein it is agreed as follows: The respondent is a corporation created by letters patent of the State of West Virginia, dated October 18, 1900; that it has been duly authorized to do business in the Commonwealth of Pennsylvania; that it obtains a supply of natural gas distributed to consumers in the State of Pennsylvania from wells in the State of Pennsylvania owned by it, and from wells in the state of West Virginia under contract with the Hope Natural Gas Company; that the gas from West Virginia commingles with that from the wells in Pennsylvania in respondent's pipe lines within the latter state; that of the gas purchased by the respondent 83.12 per cent is from wells in West Virginia and 16.88 per cent from wells in Pennsylvania. The main leading from the wells in West Virginia to the station on the boundary line between West Virginia and Pennsylvania, called Core Station, belongs to the Hope Natural Gas Company, and the main from that station to the consumers in Pennsylvania belongs to the respondent. That respondent is a purchaser of natural gas from the Hope Natural Gas Company and pays therefore 50 per cent of the average price charged to domestic consumers from May 1, 1910, to the 30th day of April, 1920, and the respondent agrees that from 1910 to 1915 the price which the Hope Natural Gas Company shall receive shall be not less than 12½ cents per thousand cubic feet, and from 1915 to 1920 not less than 14 cents per thousand cubic feet.

The respondent in its demurrer denies the jurisdiction of the Commission for the following reasons, to wit:

1. The respondent is a non-resident corporation created and organized under and according to the laws of the State of West Virginia.

2. The business in which the respondent is engaged, being that of transporting and furnishing natural gas produced outside of the State of Pennsylvania to consumers within the State of Pennsylvania constitutes interstate commerce and the fixing of rates for the sale of such commodity does not come within the jurisdiction of the State Commission.

Prior to filing the demurrer the respondent has filed an answer denying that the proposed increase of rates was unfair and unreasonable and thus submitting itself to our jurisdiction. It subsequently made a motion to be permitted to withdraw the answer and file a notice in the nature of a demurrer.

As the jurisdiction of the Commission is questioned we deem it advisable to have that disposed of before proceeding with a hearing on the merits.

The respondent is a foreign corporation. It is carrying on business in the State of Pennsylvania, furnishing natural gas for light, heat and power to customers in Pennsylvania. It could not do this without complying with the laws which practically place it in the category of a domestic corporation. Its foreign character does not put it beyond the control of the Public Service Commission. The Public Service Company Law, Act of July 26, 1913, includes foreign corporations under the term "corporation" as used in that Act. Without the approval of the Commission it cannot exercise its powers and franchises within the State. The Act specifically places foreign corporations under the control of the Public Service Commission in the same manner as domestic corporations. We are of opinion that although the respondent is a foreign corporation it is still subject to our control.

If the respondent as it alleges, is engaged in interstate business then we would be without jurisdiction unless the business is of such a purely local nature that it still remains within the control of the State in the absence of any legislation on the part of Congress.

The business of the respondent is the furnishing of natural gas to customers for light, heat and power. It is not a transportation company. The gas is transported in pipes from its own wells in Pennsylvania and from the central station where it receives gas from the State of West Virginia. The Hope Natural Gas Company, the producer of gas in West Virginia, transports this natural gas to the respondent and delivers it at the boundary line between the two states. The rate which the respondent proposes to increase and against which increase the complaints are filed, are for the gas which is used by the consumers. The gas is delivered by the respondent into the dwellings or places of business of the consumers through pipes owned by the consumer and is measured near the place of consumption. Natural gas is an article of commerce and it may be transported and when so transported from one state to another or between states is a subject of interstate commerce. It is however excepted from the provisions of the Interstate Commerce Act by Act of Congress of June 26, 1906. Section 1 of that Act provides:



"That the provisions of this act shall apply to any corporation or person or persons engaged in the transportation of oil or other commodity, except water and except natural or artificial gas, by means of pipe lines, or partly by pipe lines and partly by railroad, or partly by pipe lines and partly by water, within the meaning and purpose of this act, and to any common carrier or carriers engaged in the transportation of passengers or property \* \* \*

So far as natural gas is concerned it is not a question of Congress having failed to legislate, but Congress has legislated and has excepted natural gas from the provisions of the Interstate Commerce Law. Were it a question of transportation which we had before us we would be obliged to hold that it was beyond the control of the State, even though no regulation has been provided by Congress. The business of this respondent company so far as it is affected by the rates in question does not partake of the nature of interstate commerce. It is purely a local matter. The respondent carries on this business by permission of the State and its present operations are restricted to consumers within the State. The gas in its wells in Pennsylvania flows through the same pipes as the gas from West Virginia. It is delivered to the customer where the connection is made at the main. The fixing of the price which the customer must pay does not in any manner affect transportation of the gas from West Virginia to Pennsylvania. It places no burden whatever upon interstate commerce. Were the furnishing of gas to local consumers a matter subject to the control of Congress, it is of such a local character that under all the authorities, in the absence of congressional action, the State would have the right to regulate it. The business of natural gas companies is not the same in all localities. It could not be the subject of uniform regulation. It is purely a local matter and comes more properly within control of the State or local governments.

803 In the Minnesota Rate Case, 230 U. S., 352, Mr. Justice Hughes said:

"But within these limitations there necessarily remains to the states until Congress acts a wide range for the permissible exercise of power appropriate to their territorial jurisdiction although interstate commerce may be affected. It extends to those matters of a local nature as to which it is impossible to derive from the constitutional grant an intention that they should go uncontrolled pending Federal intervention."

In Jamieson vs. Indiana Natural Gas Co., 128 Ind., 555, 28 N. E., 76, the Supreme Court of Indiana said:

"We affirm that natural gas is characteristically and peculiarly a local product; that its production is confined to a limited territory; that because of its local characteristics and peculiarities it is a proper subject for state regulation, and cannot, so far as regards local production, be made the subject of general legislation by Congress or,

at all events, that it does not require a uniform system as between the states for its regulation."

In *State vs. Flannely*, 152 Pac., 22 (Pur. 1916 C 810), the Supreme Court of Kansas stated the principle in the following language:

"Assuming that the sale of natural gas produced in Oklahoma, from there imported into this state through pipe lines and here sold to consumers throughout the state is interstate commerce; it is not national in its nature; it does not admit of one uniform system of regulation; it is not the kind of interstate commerce which requires exclusive legislation by Congress, and until Congress acts it is under the control of this state."

While the precise question before us has not been decided by the United States Supreme Court, it has been determined in two cases, one in the United States District Court of the Northern District of West Virginia and the other in the Supreme Court of the State of Kansas. In these, the jurisdiction of the Utilities Commission to regulate the rates charged by a natural gas company was sustained. *Manufacturers Heat and Light Co., vs. Ott*, and the *P. S. C. of West Virginia*, 215 Fed., 940 State, ex rel. vs. *Flannely et al.*, supra.

In *Washington Water Power Co. vs. Montana Power Co.*, Pur. 1916, E. 144, the Idaho Public Utilities Commission made a very clear distinction between the transportation of electricity and its distribution for retail within a state after having been transmitted from another state, and held that such distribution was not interstate commerce and that state regulation thereof was valid.

An opposite view has been taken by the United States District Court of Kansas in *Langdon vs. Public Utilities Commission et al.* This case has only been decided recently and has not yet been reported, but a copy of the opinion of Judge Booth is on file with the papers. The facts in that case are to some extent similar to the case before us and also to the case in West Virginia hereinbefore cited. It is the same case in which the Supreme Court of Kansas in *State vs. Flannely*, supra, decided the question in a different way. Kansas Natural Gas Company had wells in the State of Kansas and also in Oklahoma. It distributed the natural gas through distributing agents in various cities of Kansas and Missouri. About 85 per cent of the gas sold was produced in Oklahoma and 15 per cent in Kansas. The proportions are about the same as in the present case. The United States District Court held that the distribution of the gas to the consumers in Kansas was interstate commerce and enjoined the Public Utilities Commission of the State of Kansas from enforcing the rates which it had ordered the Kansas Natural Gas Company to put into effect. An attempt was made to distinguish this case from the decision in West Virginia because there a very small proportion of the gas sold came from the State of Ohio and in the Kansas case the larger part of the gas came from the State of Oklahoma. It does not appear logical or sound to determine the question on the propor-

tion of the gas that may be produced in a foreign state. To do so would not be deciding any principle and would make its application depend upon the facts of each case. There would be no certain rule to guide as it would depend upon the opinion of the trial judge as to what proportion of the gas sold produced in a foreign state would determine whether the transaction was interstate or intrastate.

In supporting his opinion in the Kansas case, Judge Booth says:

"It appears from the evidence in the case that gas transported by the receiver from Oklahoma costs at the initial point 5 to 7 cents per 1,000 cubic feet. The difference between this cost price and the selling price to the consumer is largely, if not wholly, made up of the cost of transportation. It would seem to require no argument to establish that in any status or order fixing the price at which gas may be sold to the ultimate consumer is, under the circumstances, disclosed by the present record, in fact a fixing of rates for the transportation of the gas."

The reverse of this would serve to be the case; that is, that the cost of transportation would be an element in determining the price to be paid by the consumer and not that the price charged the consumer would fix the cost of transportation. He considers the distribution of natural gas as interstate in this case on the ground that the distributing parties were not purchasers of the gas from the Kansas Natural Gas Company, the producer, but were merely agents. If there be any force in that view then we can very readily distinguish the present case from that as the respondent here is the  
804 purchaser of the natural gas from the Hope Natural Gas Company, and in the contract made a part of the stipulation filed by the parties it is particularly designated as the buyer and the Hope Company as the seller.

If the doctrine of original package has any application it would be in favor of our right to regulate the rates which the respondent charges. It purchases natural gas from the Hope Natural Gas Company of West Virginia. The gas is transported by the Hope Company in its own pipes to Core Station on the boundary between the two states; is there delivered to the respondent and commingled with the natural gas from wells in Fayette county and through pipes of the respondent is transported to the consumers in Fayette, Westmoreland and Greene counties in the State of Pennsylvania, being delivered to them either at their houses or at the burners. The consumer in such a case is very much like the customer of the merchant to whom goods have been shipped from a foreign state and are at the time on his counter or shelves ready for sale.

If the contention of the respondent be sustained, then a natural gas company distributing gas to consumers in the State of Pennsylvania would be free from any control if any of the gas came from a foreign state. This would be contrary to sound public policy.

We are of opinion that the respondent company is subject to our jurisdiction and we have the right to regulate the rates which it charges the consumers in the State of Pennsylvania. The demurrers

in both cases are therefore overruled, and we order the proceedings to a hearing upon the complaint and answers filed.

*Order.*

These matters being before the Public Service Commission of the Commonwealth of Pennsylvania upon complaints and demurrers on file, and having been duly heard and submitted to the parties, and full investigation of the matters and things involved having been had, and the Commission having on the date hereof filed of record its report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof:

Now, to wit: October 29, 1917, it is ordered: That the demurrers in these cases be, and the same hereby are overruled.

And it is further ordered: That the parties complainants and respondents proceed to a hearing upon the complaints and answers filed.

By the Commission:

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

805

No. 134.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, No. 431, 1915.

JOHN O. ULRICH

vs.

EASTERN PENNSYLVANIA LIGHT, HEAT & POWER CO.

The Complainant owns and operates a printing establishment on Lafayette Street, in the Borough of Tamaqua, a distance of about 350 feet from the terminus of the gas main of the Eastern Pennsylvania Light, Heat and Power Company, located on said street. The complaint alleges that the Respondent company refuses to extend its gas main and furnish him service. The Company claims that the laying of the additional main would not be compensatory. Held: That the rights, powers and privileges which are conferred upon public service companies are likewise accompanied with duties and obligations. It is a part of the contract with the Commonwealth that they should perform the service undertaken as a whole.

public service company cannot be permitted, holding a monopoly as it does, to select the most profitable parts of the service and, supplying them, treat such performance as a compliance with its duty.

le that which is unreasonable will not be required, it may be stated as a general proposition that a corporation which undertakes to light a Borough must be ready to furnish reasonable lighting to all parts of the Borough.

*Report of the Commission.*

Appearances:

O. Ulrich, Representing the Complainant.  
 to E. Farquhar, Representing the Respondent.

NYPACKER, *Commissioner*:

he Borough of Tamaqua has a population of about twelve thousand persons. In it Lafayette Street runs east and west, and Pitts Street, north and south. Along the south side of Lafayette Street the tracks of the Philadelphia and Reading Railway Company. On the north side of Lafayette Street, three hundred and fifty feet from Pitts Street, the Complainant has a printing establishment in which job printing is done and a weekly newspaper is published. It has been in existence for about six years, and it employs six men. Between it and Pitts Street there are on the north side thirteen lots, and on the south side there is also one house. The printing establishment is two blocks from the main street of the town. Lafayette Street is an unpaved dirt street.

The Respondent is a Light, Heat and Power Company supplying a territory which includes the whole of Schuylkill and a part of Northampton County. By merger it absorbed a gas company which had a monopoly of supplying light in the Borough of Tamaqua. It has a main on Pitts Street. It has another on Clay Street, parallel to Lafayette Street, two blocks away. It has another on Lafayette Street which approaches from the west to within four hundred and fifty-five feet of the plant of the Complainant, but between this plant and Pitts Street no pipes are laid.

The Complainant in his petition asks that the Respondent may be ordered "to furnish and maintain such service as may be sufficient to supply gas for the accommodation of his printing establishment." The Respondent objects to being required to lay this additional main on the ground that it would not be compensatory. It is estimated that the cost including a sum required to be paid to the Borough upon opening the street, would be from \$500.00 to \$575.00. The Respondent has indicated a willingness to lay the main if people make deposits of cash with it sufficient to guarantee the outlay, and sought to ascertain how many were willing without much success. On the 21st of July, 1915, it made a proposition to the Complainant to let that he pay the expense of getting a permit from the Bor-

ough (about \$195.00); that he pay the cost of the extension  
806 of the gas main which it should lay to be treated as a payment for the gas he should consume in eighteen months; that if the gas so consumed should not equal the amount of the deposit, the difference to be forfeited to it, and that if the amount consumed should exceed the deposit, he to pay the excess. This manifestly one-sided and unfair proposition was rejected, and the matter after repeated attempts at an amicable settlement, is now before the Commission for its determination.

The rights, powers and privileges which are conferred upon public service companies are likewise accompanied with duties and obligations. It is a part of the contract with the Commonwealth that they should perform the service undertaken. That service must be regarded with some breadth of view. The undertaking is to perform the service as a whole. The public service company cannot be permitted, holding a monopoly as it often does, to select the most profitable parts of the service, and supplying them, treat such performance as a compliance with its duty. While that which is unreasonable will not be required of it, and care will always be taken to see that unnecessary imposition upon it are not permitted, it may be stated as a general proposition, that a corporation which undertakes to light a Borough must be ready to furnish reasonable lighting to all parts of the Borough.

In the present case the Respondent has a monopoly for lighting the Borough of Tamaqua, and its citizens are prevented from securing their light in any other way. Within a distance of three hundred and fifty feet there are a printing house and fourteen dwellings which may be in need of light. In the future there will doubtless be more. The Complainant describes his business as profitable, and it has existed for six years. He estimates that he will use ten dollars' worth of gas each month, and this estimate is based on the amount of gasoline now consumed. The extension of the main will be in the direction of the Respondent's main already laid on Lafayette Street, at the other end of the block, with which it may be presently connected.

It is the opinion of the Commission that the prayer of the Complainant's petition ought to be granted, and an Order in accordance therewith be issued.

#### *Order.*

This case being at issue upon complaint and answer on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and the Commission having, on the date hereof, made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby referred to and made a part hereof.

Now, to wit, November 23, 1915, it is ordered: That the Eastern Pennsylvania Light, Heat and Power Company shall, on or before January 24, 1916, lay and maintain its gas main and other facilities on Lafayette Street, in the Borough of Tamaqua, to the plant of

John O. Ulrich, the Complainant, and furnish and maintain such service as will be sufficient to supply gas for the accommodation of his printing establishment.

By the Commission:

(Signed)

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

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No. 273.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, No. 1073.

JOHN O. ULRICH

vs.

EASTERN PENNSYLVANIA LIGHT, HEAT & POWER COMPANY.

The mere fact of having corporate rights and authority to exercise the same within a borough is not in and of itself a sufficient and compelling reason, under all circumstances and conditions, why a public service company should be required to extend its service to any portion of the town on the application of a prospective consumer within the borders of the municipality. There should appear in the petition for the proposed extension of facilities some evidence that the service desired contains some elements of remuneration within a reasonable period of time, and that if granted, it would not prove chiefly or wholly an economic waste.

Appearances:

Otto E. Farquhar, Representing the Respondent.

*Report of the Commission.*

BRECHT, Commissioner:

The complainant is the owner of premises consisting of five dwellings on the south side of Van Gelder street, between Green and Nespeck streets, in the borough of Tamaqua, Schuylkill county. The said Van Gelder street in that vicinity is not supplied with a gas main, and it appears the complainant has not been able to obtain service from respondent at the rates usually charged other citizens of the said borough for the use of gas.

In the complaint filed it is alleged that respondent offered to supply gas on the aforesaid premises of complainant if he would "guar-



antee one hundred dollars per year, in equal monthly installment for a period of ten years," which offer was refused. It is further alleged that the Eastern Pennsylvania Light, Heat and Power Company, respondent, is the only company which furnishes gas in the borough of Tamaqua, and that by the refusal of said company to furnish gas as requested, the complainant suffers great "inconvenience, damage and injury."

The respondent in its answers avers that it is "ready and willing to furnish gas to complainant's premises on Van Gelder street upon reasonable terms and conditions;" and that the petition of the complainant does not set forth all the material parts of respondent's offer, in that the said one hundred dollars would be reduced by the amount received from other consumers who took service along the proposed extension.

When the hearing was held the complainant failed to appear and be represented. Subsequently another opportunity was given him to present testimony in the case if he so desired. In reply complainant stated that he did not appear at the hearing because he believed all the material matter involved was found in the record, and that he would have no brief to file. Later he filed a statement of facts which he intended to prove at a hearing and stated that trouble and expenses would be saved if respondent would agree that such facts as therein contained could be proved.

Subsequently the aforesaid statement of facts submitted by complainant was signed by both parties in interest and filed with the record in this case. The material facts set forth in the stipulation are substantially the same as were recited by complainant in his petition. In addition thereto it was agreed that complainant was willing to pay the usual rates of respondent for all gas consumed by him, and that he declined to pay the sum of \$100.00 for the proposed service; that there are thirteen dwellings in Van Gelder street between Green and Nescopee streets; that Van Gelder street is an unopened street except between said Green and Nescopee streets; and that there are now six persons residing on Van Gelder street who expressed a desire to use gas and have the same installed.

The evidence submitted by respondent is substantially as follows: The section of Tamaqua lying in the vicinity of complainant's premises is situated on the slope of a hill and is built up sparsely. No gas mains have been installed within a radius of practically one thousand feet from the dwellings of complainant. To furnish him

with service, connection with respondent's gas main must be  
808 made at one of three points. The shortest and cheapest construction is to connect with the supply main at Hunter and Spruce streets and run the extension west 410 feet on Spruce street to Nescopee street, north 200 feet on Nescopee street to Van Gelder street, and then west 384 feet on Van Gelder street to the dwelling houses of complainant, a total distance of 994 feet. The next best route is to connect with the company's main at Green and Penn streets and run the extension north on Green street, and then east on Spruce street, then north on Nescopee and west on Van Gelder street to the place of service, a total distance of 1,318 feet. Another

way in which it might be done is to connect with the gas main on the north at Broad and Nescopee streets and install an extension south on Nescopee to Van Gelder street and then west on Van Gelder street to the premises in question, a distance of 1,145 feet. Along this route there are no houses between Broad street and Van Gelder street. Over all the foregoing routes the work of laying a pipe would be expensive since the ground is largely composed of shale rock and at some points of hard rock which would make blasting frequently necessary to get a proper depth of trench.

Items of expense covering the probable cost of pipe, labor and excavating, tools used, drayage and freight paid, were submitted by respondent. These figures show that it would cost \$932.73 to make the pipe extension of 994 feet from Hunter and Spruce streets to the premises of complainant on Van Gelder street. It was held that this was the cheapest route over which the extension could be made. The contract agent of respondent testified that along this route there are 37 residences, 28 occupied by tenants, 5 by the owners and 4 of them unoccupied. Of the 33 occupants of the aforesaid premises respondent after a careful canvas made for the purpose of securing customers had succeeded in getting only seven (since then increased to eight) prospective consumers of gas if the proposed pipe line should be laid. But according to the testimony offered neither the complainant nor any of the others would give any assurance as to the probable amount of gas they would use in a year nor as to the length of time they would desire service, and consequently respondent was left without any definite means of knowing or ascertaining what probable amount of revenue it would receive if the proposed improvement were made.

The testimony offered also attempted to show that because of the comparatively cheap price of coal at Tamaqua, the consumers along the route proposed would use gas chiefly for cooking and other domestic purposes during three or four months in summer, and very little if any during the balance of the year. From an estimate submitted by one of the witnesses based upon the records of the company showing the actual gas consumed by that class of consumers it appears that 31 cents would be about the average monthly income received from each consumer in this instance. The total revenue upon that basis of which the respondent has some assurance would therefore amount in this case to approximately \$30 per annum. Against this amount of gross income respondent claims that a conservative estimate of the cost of installing the improvement, places the amount in round numbers at about \$925.00, making the annual expense not including cost of operation at least \$150.00.

The data presented in this case giving the length of extension required, the cost of laying the pipe, the probable annual revenue and expense to be attributed to the new installation of service are wholly ex parte having been prepared by one party in interest without any attempt by the other side to check or disprove their accuracy. The only matter which the complainant brought to the attention of the Commission is in effect that he desired respondent to install a supply pipe and furnish service on his premises at the usual rates charged other consumers, and further that he refused to pay and

would not consider any proposition to pay any additional compensation for the installation of said service.

Apparently the complainant concluded to rest his case on the assumption that inasmuch as respondent is a public service corporation engaged in the business of manufacturing and selling artificial gas in the borough of Tamaqua, it is bound under its charter and franchise rights to extend its pipes and furnish service within the bounds of the borough when requested so to do by any citizen of the municipality who may desire to use gas, regardless of the revenue that may be derived from such extension of its facilities. The sole question therefore for the Commission to determine in this proceeding is whether a gas company under its corporate rights and obligations is required to extend its service whenever the same is so desired by a prospective consumer residing in the municipality within which the said corporation is doing business.

In *Ulrich vs. Eastern Pennsylvania Light, Heat and Power Company*, C. D. 431, 1915, the Commission in requiring respondent to build an extension pipe to supply service to complainant held that:

"The rights, powers and privileges which are conferred upon public service companies are likewise accompanied with duties and obligations. It is a part of the contract with the Commonwealth that they should perform the service undertaken. That service must be regarded with some breadth of view. The undertaking is to perform the service as a whole. The public service company cannot be permitted, holding a monopoly as it often does, to select the most profitable parts of the service and supplying them, treat such performance as a compliance with its duty. While that  
809 which is unreasonable will not be required of it, and care will always be taken to see that unnecessary impositions upon it are not permitted, it may be stated as a general proposition, that a corporation which undertakes to light a borough must be ready to furnish reasonable lighting to all parts of the borough."

In the foregoing proceeding the conditions and circumstances were substantially different from those present in the case here pending. In the report of that case it appears that the extension asked for was in the direction of respondent's main at the other end of the block on the same street, that the length of the extension was only three hundred and fifty feet, that along the proposed extension there were complainant's printing house and fourteen dwellings which could use service, that in the near future there would doubtless be more users, that the printing plant in question is two blocks from the main street of the town, and that complainant estimated that he would use ten dollars' worth of gas each month.

The record in the present case shows that the block in Van Gelder street where the service is desired is some distance from the main portion of the town, that the line necessary to reach complainant would be the nearest route measure 994 feet, that by reason of the rocky character of the ground the cost of installing a pipe would be comparatively expensive, that the pipe laid would terminate in a

block beyond which on the north, west and south sides there are no homes or other buildings, and no prospect looking toward the erection of dwellings in that vicinity in the near future. It also appears that there is no business place located along the route of the proposed extension, that while there are some thirty dwellings along the line the occupants with perhaps a few exceptions would not consume gas to any appreciable extent owing to local conditions, that respondent after a diligent canvass succeeded in getting only eight parties who indicated that they were willing to use gas if the supply pipe is installed, and that neither the complainant nor any of the others would give respondent any estimate or idea of the probable amount of gas they would purchase during a year.

These differences in the conditions and circumstances underlying the two cases are sufficient to explain what the Commission had in mind when it said in the case cited above "That a corporation which undertakes to light a borough must be ready to furnish reasonable lighting to all parts of the borough." It is clearly an attempt by the Commission to indicate that conditions might prevail under which the service furnished if required could not be defined or described as "reasonable lighting" to all parts of the borough. This principle was recognized and set forth more at length and in more explicit language by the Commission in *Fisk vs. Abington Electric Company*, C. D. 358, 1915, where this phraseology is used:

"That a public service company should have the right to pick out the profitable customers and leave all others without service, would not, in our opinion, be rendering such public service as the law contemplates. Of course, just now far a public service company should be required to go in making extensions to serve its patrons is often a difficult matter to determine and each extension must be determined from the facts surrounding the same. Any unreasonable extension should not be required; on the other hand, when a public service company enters upon its duties to render a public service in a community it should be compelled to render such a general service as the reasonable demands of the community as such time and in the near future may require, and proper provision should be made therefor, even to the extent of making extensions that will meet reasonable demands that will be made of it in the future."

Substantially the same question was passed upon by the Commission in *Bixler, et al., vs. United Electric Company of Lemoyne*, C. D. 331, 1915, where it took occasion to say:

"Under conditions so uncertain and precarious, the Commission would not feel warranted in requiring the respondent to install the service requested by complainants, unless it were to append to the order some guaranty or element of protection somewhat similar to the one contained in the offer submitted by respondent. The proposition suggested by the company can not be considered extravagant under existing circumstances, and seems to be about the only feasible method respondent could take to protect itself against furnishing a

service that might, in spite of intentions and assurances to the contrary, prove to be comparatively transient."

The position taken in the above cited cases is an attempt to give all parties in interest a just and equitable deal in the matter. It is holding in effect that the desired facilities should be installed whenever it is found practicable to do so without destroying property values or impairing the efficiency of the general service; but it is also recognizing the fact that certain local conditions may exist that would make it unduly burdensome upon the operating company to make extensions to its plant equipment without some estimate or assurance of the probable consumption from the consumer for a comparatively limited period, that might be taken as an index of the prospective earnings from such extension.

The mere fact, therefore, of having corporate rights and authority to exercise the same within a borough is not in and of itself a sufficient and compelling reason under all circumstances and conditions why a public service company should be required to extend 810 its service to any portion of the town on the application of a prospective consumer residing within the borders of the municipality. There should appear in the petition for the proposed extension of facilities some evidence that the service desired contains some elements of remuneration within a reasonable period of time, and that if granted it would not prove chiefly or wholly an economic waste.

From the record and testimony appearing in this case the Commission is not persuaded that it is warranted under the facts submitted to require the respondent to install the supply pipe prayed for by the complainant, and an order will accordingly be made dismissing the complaint.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file, and having been duly heard and submitted by the parties and full investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed of record a report containing its findings of fact and conclusions thereon, which said report it hereby approved and made a part hereof:

Now, to wit, April 3rd, 1917, it is ordered, that the complaint in this case be, and the same is hereby, dismissed.

By the Commission:

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

No. 340.

The Public Service Commission of the Commonwealth of  
Pennsylvania.

Complaint Docket, No. 1657.

FRED PALMER-PORONER

vs.

THE CONSUMERS' GAS COMPANY OF READING.

utility cannot under all circumstances refuse to make an extension of its service until the same becomes compensatory. A public utility engaged in the business of the respondent is required to furnish service in all parts of the municipality in which it is operating whenever a reasonable demand or prospect for such service is shown to exist. The service cannot be restricted to sections or neighborhoods from which the larger returns will flow, but must also be extended to localities where the business will not be immediately profitable or perhaps even self-sustaining until a later period in the growth and development of the community. Where circumstances so shaped the development of the utility's business that small central blocks or areas containing desirable homes and sites, particularly in a large city, have not been supplied with service, it is only a matter of simple justice that the residents on any such block, if they so desire, should be accorded the same privileges and conveniences that their neighbors in adjacent streets are permitted to enjoy. But where there is no demand for service from the residents themselves, and there is no prospect of securing at present more than six small consumers who will use gas for fuel during the summer only, the Commission will not compel the gas company to install a new gas main 580 feet in length at a cost of approximately \$800 until it can be shown by evidence that the persons directly affected desire the service.

Appearances:

Palmer-Poroner,  
Representing the Complainant.

John H. Keppelman,  
Calhoun Smith,  
William Naile,  
Representing the Respondent.

*Report of the Commission.***BRECHT, Commissioner:**

Complainant is the owner of a property on Walnut Street between Eleventh and Twelfth Streets in the City of Reading. No gas main has been laid in this particular block on Walnut Street although on streets lying immediately adjacent pipes have been installed and service is furnished. It is alleged by complainant that he made application to The Consumers Gas Company, respondent, for the installation of a gas main in front of his premises and was refused the service he desired.

The testimony offered in the case is very meagre. It appears from the facts submitted that the block on Walnut Street in question is located in the central part of the city; that it has sixteen houses used as dwellings on the North side and none on the South side, being bounded on that side by the city park; that seven of the houses are occupied by the owners and nine by tenants, and that there are gas mains in place on Eleventh and Twelfth Street- which are about 580 feet apart at that point.

On behalf of the respondent it was testified that it would cost approximately \$800.00 under present conditions to install a 4-inch main to supply the premises on this block, although two years ago it could have been done for about \$400.00. No data were submitted giving items of labor and material and unit prices to show how this estimate was obtained. Complainant offered no evidence upon the cost of installation nor attempted to show that the cost figures given were too high or in error.

It appears that the property of complainant is occupied by a tenant who has not made any request for service. There is nothing in the record or testimony to show that any one outside of the complainant was making any demand for gas, or appeared at the hearing. However, it was shown from a careful canvass made for the respondent of the people residing in this block that six of the occupants would take gas for fuel purposes in the spring or summer of 1918, and the remaining nine thought they would not take it at all. It was alleged that the tenant of complainant stated during this canvass that he might use gas for illumination on the second floor of his home whenever service could be furnished. In six of the houses electricity is used.

812 It was further shown on behalf of the respondent that the gas company has been reasonably diligent to extend its service into sections and neighborhoods of the city not now furnished with gas. Apparently the various sections of the municipality not piped or furnished with facilities to supply gas have been canvassed every summer for the past five or six years to secure consumers, and thus far the respondent has been unable to get a sufficient number of patrons to warrant it in putting in a gas main on this section of Walnut Street.

Respondent's engineer estimated that it would require approximately fifteen consumers using an average consumption of about



20,000 cubic feet of gas per year to pay the company to make the proposed extension. There were no figures of plant investment or valuation of property submitted, nor any offer made to show annual receipts and operating expenses, or net earnings and dividends of the company. Consequently no data are available by which the figures of the engineer may be tested and their accuracy in some measure determined. It is quite evident that six or seven consumers using gas only for cooking during the summer months would provide only a fractional part of the revenue which is claimed to be necessary in order to make the proposed extension self-sustaining.

The respondent, however, cannot under all circumstances refuse to make an extension of its service until the same becomes compensatory. A public utility engaged in the business of the respondent is required to furnish service in all parts of the municipality in which it is operating whenever a reasonable demand or prospect for such service is shown to exist. The service cannot be restricted to sections or neighborhoods from which the larger returns will flow, but must also be extended to localities where the business will not be immediately profitable or perhaps even self-sustaining until a later period in the growth and development of the community. Where circumstances so shaped the development of the utility's business that small central blocks or areas containing desirable homes and sites, particularly in a large city, have not been supplied with service it is only a matter of simple justice that the residents on any such block, if they so desire, should be accorded the same privileges and conveniences which their neighbors on adjacent streets are permitted to enjoy.

But in the present case there is no demand for service from the residents themselves, nor does it appear that there is any prospect of securing at present more than six small consumers if the proposed extension is made, and they would use gas only for fuel during the summer. Under these circumstances the complaint should be dismissed. It would be unjust to the respondent to impose upon it the burden of installing a new gas main 580 feet in length at a cost of approximately \$800.00 until it can be shown by evidence that the persons directly affected desire the service.

#### *Order.*

This matter being before the Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file, and having been duly heard and submitted by the parties and full investigation of the matters and things involved having been had, and the Commission having on the date hereof filed of record its report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof.

Now, to-wit, October 29th, 1917, it is ordered: That the complaint in this case be, and the same hereby is dismissed.

By the Commission.

WM. D. B. AINEY,

Attest:

[SEAL.] A. B. MILLAR, *Secretary.*

The Public Service Commission of the Commonwealth of  
Pennsylvania.

Complaint Docket, No. 1644.

T. D. WASHBURN et al.

vs.

McKEAN NATURAL GAS COMPANY.

Complaint was made that the respondent natural gas company intended to discontinue its service to the ten complainants, and from the testimony it appeared that the proposed discontinuance was due to the desire of the company to remove the pipe lines serving the complainants and re-located for the purpose of reaching new gas wells.

The Commission found that the continuance of service to the complainants was a reasonable requirement, and directed the company to cease and desist from making the changes proposed.

Appearances:

R. R. Lewis,

A. F. Jones,

Representing the Respondent.

*Report of the Commission.*

*RILLING, Commissioner:*

On August 17th, 1917, ten residents of Ceres township, McKean County, filed a complaint alleging that the respondent, the McKean Natural Gas Company had served a notice upon them, threatening to discontinue their service, and asked the Commission to issue an order compelling respondents to continue to serve them. By the answer filed by the respondent, it was admitted that such a notice was given, and it is alleged therein that the respondent was about to drill additional gas wells to maintain its supply; that the location of these new wells is such that by relocating some of the lines of the respondent, a saving of about one thousand dollars might be effected. No itemized statement was furnished the Commission, showing how that amount was determined. The line which the respondent proposes to relocate and thereby discontinue its service to complainants extends through private property for about seventeen hundred feet and along a State highway in Ceres township for about twenty-six hundred feet, passing the residence of six of the complainants, the rest of the complainants being reached by a private line connecting with said line of respondent on said highway. Three of the complainants are receiving free gas from the respondent under agree-

ment or lease. The income of respondent from other complainants served by meter, amounts to about one hundred dollars annually. The complainants alleged that the line along said State highway was originally laid as a supply line to serve them. It appears, however, that at the present time it is also used as a suction line to transport the gas from the well or wells to respondent's compressor station; that the pressure therein varies from five to twenty-eight pounds per square inch, depending upon whether or not the compressor pumps are in operation. The complainants do not object to the variation in pressure, nor does it appear that the service to complainant interferes with the distribution of gas from the wells to the compressor station. The main reason given for discontinuing the service is the saving that might be effected by relocating said line.

The respondent is a corporation organized September 27th, 1906, under the provisions of the so called Natural Gas Act of May 29th, 1885, P. L. 29, and the supplement thereto of May 11th, 1897, P. L. 52. It is engaged in producing and selling natural gas in McKean and Potter Counties, and is now selling over ninety per cent of its production to a New York Gas Company for consumption in New York State. Its gross receipts for gas sold for consumption in New York State for the year 1916 were \$58,603.69. The respondent has no indebtedness and is in a prosperous condition. At the present time it is serving only forty patrons in Pennsylvania, two of whom are industrial and thirty-eight domestic consumers.

The respondent being a public service company, is required to render service to all persons who desire it in the territory from which it is chartered that by a reasonable outlay can be reached.

Under all the evidence the Commission is of opinion that the service to complainants should be continued, and an order to that effect will be issued.

814

*Order.*

This matter being before the Public Service Commission of the Commonwealth of Pennsylvania on complaint and answer on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and the Commission having, on the date hereof, made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof:

Now, to-wit, January 14th, 1918, the McKean Natural Gas Company is ordered and directed to continue its service to the complainants in accordance with the findings contained in said report.

By the Commission:

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

The Public Service Commission of the Commonwealth of  
Pennsylvania.

Complaint Docket, No. 2377.

WILLIAM B. HORTON

vs.

SHENANGO VALLEY ELECTRIC LIGHT COMPANY.

Filed September 21, 1918. Alleging Refusal to Extend Service to  
Residence of Complainant in Farrell, Mercer County.

A utility company enjoying an exclusive franchise, may not choose  
and serve only sections of their territory immediately re-  
munerative. Reasonable extensions, determined from the  
facts in each case, may be ordered.

A company will not be permitted to impose a condition requiring  
patrons to furnish capital necessary for reasonable additions  
and extensions, such as it has tried to do in this case.

Service ordered at cost of respondent company.

Appearances:

B. J. Jarrett,  
Representing the Complainant.

Ralph J. Baker,  
Representing the Respondent.

*Report of the Commission.*

*RILLING, Commissioner:*

The complainant, William B. Horton, is owner of premises and  
resides at No. 1208 Washington Street, in the borough of Farrell,  
Mercer county, Pennsylvania. The respondent, the Shenango Val-  
ley Electric Light Company, exclusively serves said borough. Re-  
spondent solicited the service of complainant who signed an applica-  
tion therefor. It was, however, not furnished.

Complainant has a new frame dwelling house of five rooms and  
bath, which he first occupied November 20, 1917. It is situate in one  
of the new and growing sections of Farrell which, on account of the  
great mills operated there, is rapidly increasing in population. The  
American Sheet and Tin Plate Company is now constructing one  
hundred new houses a short distance beyond the residence of com-  
plainant, which is the third house and 110 feet from Stambaugh  
Avenue, upon which street respondent has a line and is rendering  
service. There are at least nine new houses in the immediate

ty of complainant's residence, and three more being considered. Others will soon be located there, all of which will require of respondent.

Respondent contends that its line on Stambaugh Avenue, 110 feet from complainant's residence, is not of such character that it can be extended therefrom. In order to render proper service to complainant and others in the vicinity it made a proposition, whereby it was agreed to make the necessary extension, the total cost of which, at the high prices, would be \$417. This sum complainant and others in his immediate neighborhood would be required to pay as respondent. Of this amount \$253.00 would be returned to those who advanced the same by refunding to them twenty per cent of the amount of the bills paid by them; the difference between \$417 and \$253 refunded to be retained by respondents. New patrons in this locality requiring service from such extension could be supplied without any contribution toward the cost of such extension; statement being made by respondent's representative that the patrons paying the difference between \$417 and \$253 might collect a portion thereof as they saw fit from any new patrons of respondent.

The position of respondent cannot be better stated than by quoting the testimony of its Superintendent, Mr. Kemmery: (Page 17:)

Q. Your proposition to Mr. Freeble was in accordance with the standard practice of the Company as well as its allied concerns, and that you would (render) the service provided the people to receive the service as a group would pay the company \$417, the then estimated cost of the extension line without the meters?

A. Correct.

Q. And you furthermore agreed if that were done you would refund to this group \$253 out of the \$417 by allowing them 20 per cent of their bills for service?

A. Correct.

Q. And that the balance of the \$417 represented the express cost of this installation based on the difference between prices of July, 1914, and prices of the date of the estimate?

A. Correct.

Q. That was your agreement or tender of agreement, as the terms of the installation?

A. Yes, sir.

Q. Mr. Horton wasn't actually asked to pay \$417? That was the price to the whole group?

A. Yes, sir.

Q. And they were to get back \$253?

A. Yes, sir; that is correct.

Q. State whether or not that proposition in its essentials is the standard practice of this Company?

A. Absolutely.

\* \* \* \* \*

(Page 27:)

"Q. Suppose this proposal of the Company were accepted and you furnished the light, and the next week somebody else would want light, under what conditions would you serve them?

"A. Serve them from the line without any expense to them provided we were not required to increase our facilities to serve them."

The respondent has the sole right to serve Farrell borough. In the construction and operation of its plant it is required to provide for all of the service reasonably demanded of it in the district for which it is chartered. It cannot choose and serve only the sections immediately remunerative. Whenever required so to do, it should, at its own cost and expense, make all reasonable needed extensions. The law does not contemplate that the patron provide the capital to make reasonable additions or extensions. What is or is not a reasonable extension can only be determined from the facts in each particular case. On account of existing conditions an unprofitable extension may, in some instances, be required. The location, future prospects and all other conditions must be considered. There is, however, no contention in the case that the extension asked will be unprofitable. The necessity therefor is admitted.

The high prices prevailing, as well as the scarcity of labor and the difficulty in securing capital, do not alone constitute a sufficient ground to determine a proposed extension to be unreasonable. The abnormal conditions now existing should be given due considerations in compelling any particular extensions to be made at this time, but under no circumstances do we think that the burdens thereby imposed should all be passed over and placed upon the shoulders of the patrons, as respondent seeks to do in this case. Under the undisputed evidence, the conclusion of the Commission is that the extension needed to serve the complainant is a reasonable one and should be promptly made by respondent at its own cost. The amount of capital required is not large. An order requiring the extension be made will be issued accordingly.

#### *Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file, and having been duly heard and submitted by the parties, and due investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made part hereof:

Now, to wit, December 10th, 1918, it is ordered: That the respondent, the Shenango Valley Electric Light Company, at its own cost, make the extension to its line and facilities necessary to provide the service applied for, within thirty days from the date of service of this order.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.  
WM. D. B. AINEY, *Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

17

No. 549.

The Public Service Commission of the Commonwealth of  
Pennsylvania.

Complaint Docket, No. 2450.

CITY OF NEW CASTLE et al.

vs.

CITY OF NEW CASTLE WATER COMPANY.

Where a public utility serves a community there is imposed upon it the legal duty to make at its own cost all reasonable extensions. What is or is not a reasonable extension can only be determined from the facts in each case.

Where a utility assumes to serve a community it should consider its obligation to serve the entire district described in its charter and should so plan its affairs that it will be able so to do, within reasonable grounds. It cannot select and serve only the profitable patrons.

*Appearances:*

James A. Gardner, City Solicitor,  
Representing the Complainants.

Warren R. Voorhis,  
H. K. Gregory,  
Representing the Respondents.

*Report of the Commission.**KILLING, Commissioner:*

J. F. Baxter and B. W. Thompson, complainants, allege that the respondent, the City of New Castle Water Company, refuses to extend its mains in order that they may obtain its service.

Clayton Street in New Castle extends eastwardly and westwardly, paved, and respondent has a six-inch main therein. Fifth Street, commencing at Clayton Street, extends northwardly at right angles herefrom. It is not paved, has a sewer laid therein connecting with the sewer in Clayton Street. Complainants own two new houses on the west side of Fifth Street. The South line of the Baxter lot is 136 feet, and the south line of the Thompson lot 222 feet from the north line of Clayton Street, there being one vacant lot between complainants. J. F. Baxter occupies his new house without



any water service. The house of B. W. Thompson is vacant by reason of there being no water service therein. Both houses have bath rooms and street sprinklers, besides the other ordinary service connection. Both complainants made application to respondent for its service. Mr. Baxter paying \$20.00 and Mr. Thompson \$25.00 at the time of making the application. It appears this was paid to cover the cost of laying one-half inch service pipe from the street to the curb-line, and is to be returned to complainants by allowing a discount on their future water rates. To serve both complainants would require the extension of respondent's main 268 feet.

By a contract made by respondent with the City of New Castle, it is agreed, *inter alia*, that respondent shall extend its main at the request of private consumers when the consumption from the extended main, during the first year after any such extension is made, shall pay at the rate of ten cents for each lineal foot of such extension, and a guarantee of such amount per foot from the city or other private consumers shall require respondent to make such extension. It is also agreed that extensions for fire service shall be laid in like manner. Said contract expires January 1st, 1922, and specifies both the flat and meter rates to be charged by respondent.

Complainants are not parties to this contract, and the city and respondent are not in accord as to the legal effect of its terms. We are of opinion that the reasonableness of the extension to be made by the respondent, under its charter duties as a public utility, like the reasonableness of rates cannot be made the basis of contractual relations, but must be determined from the necessity therefor under all the facts in connection therewith.

Respondent filed a new schedule of rates, effective March 1st, 1918, increasing the rates specified in the contract about twenty-five per cent. A complaint has been filed by the city, alleging these increased rates to be excessive and unreasonable, which complaint is now pending.

By an agreement made between the parties, respondent agreed to extend its main 50 feet from its Clayton Street main. The remaining part of the main required to serve complainants was to be laid by and at their expense. This they were prepared to do at the time the sewer was laid in Fifth Street, intending to lay the same on a shoulder in the sewer trench. Respondent would not consent to the laying of the main in the sewer trench, alleging that it was not proper practice for the reason that if a break should occur the water instead of coming to the surface, and thereby giving notice of the break, would sink to the sewer and follow the same and might only be discovered after a long period. Respondent has a  
818 rule to lay its main in the street eighteen feet distant from the curb line. This would not correspond with the location of the sewer in Fifth Street. Respondent offered to lay fifty feet of its main from Clayton Street, and then with the money paid by applicants, lay a service from the end of said fifty foot main to the curb line where it would place the meter to be furnished by complainants. From that point the complainants might carry the water

to their dwellings in such manner as they determined. This is not satisfactory to complainants.

It appears from the evidence that the laying of the two-inch main from Clayton Street will meet the needs of complainants as well as of other takers of water in said square. At the present time they are the only persons having dwellings fronting on Fifth Street. The cost of laying a two-inch main 268 feet in length at present high prices, according to an estimate made by respondent, would be \$254.40. Respondent contends, however, that said extension should be a six-inch main for the reason that when said street is improved and built upon, the city would require a fire hydrant placed thereon, somewhere on Fifth Street, and that a six-inch main would then be needed, and it would, therefore, be necessary to duplicate a two-inch main if laid. The cost of the 268 feet of six-inch main at present high prices as estimated by respondent would be \$669.33. The expenditure of this amount respondent claimed would be an unwarranted and unreasonable expenditure for it to make.

The annual amount which each of complainants would pay for water at their new residence, according to the former flat rate service, would be \$18.00, and according to the new schedule \$22.50. Should they desire to take service from respondent by meter, they would be required to furnish the meter at their own cost.

The only definite proposition that respondent has made is to lay, at its own cost, fifty feet of the needed 268 feet extension. It was not definitely shown whether this was to be a two or six-inch main. The locality in which complainants' two houses are erected is improving and in the near future there will be other buildings erected along Fifth Street requiring service from respondent. Under this state of facts is the extension asked for by complainants a reasonable one to be made by respondent?

The rule controlling, as this Commission has repeatedly held, is that where a public utility serves a community, there is imposed upon it the legal duty to make at its own cost all reasonable extensions. What is or is not a reasonable extension can only be determined from the facts in each case. Where a utility assumes to serve a community it should consider its obligation to serve the entire district described in its charter, and should so plan its affairs that it will be able so to do, within reasonable grounds. It cannot select and serve only the profitable patrons. Respondent has the right to collect a revenue sufficient to pay for operation, depreciation and a fair return upon its fair value. This protection and return enables it to maintain its credit and thereby secure additional capital to make reasonable extensions and additions when and as needed.

We have no hesitancy in reaching the conclusion that under all the evidence in this case the extension asked for by complainants is a reasonable one, and should be made by the respondent at its own expense. It should lay either a two-inch or six-inch main as it may itself determine. An order will issue requiring the laying of said main within sixty days from the date thereof.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file and having been duly heard and submitted by the parties, and due investigation of the matters and things involved having been had and the Commission having on the date hereof made and filed on record a report containing its findings of fact and conclusion thereon, which said report is hereby approved and made a part thereof;

Now, to wit, March 31, 1919, the City of New Castle Water Company is ordered and directed to serve the complainants with water by laying from Clayton Street, northward on Fifth Street in the City of New Castle, for a distance of two hundred and sixty-eight (268) feet, either a two-inch or six-inch main as it may itself determine.

And it is further ordered: That said main shall be laid within sixty days from the date of this order.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

819

No. 562.

The Public Service Commission of the Commonwealth of  
Pennsylvania.

Complaint Docket, No. 2084.

H. C. GIBSON et al.

vs.

THE UNION HEAT AND LIGHT COMPANY.

Where the gas supply of a section or locality is rapidly diminishing, it is not discriminatory on the part of a gas company to restrict its supply to one locality.

Appearances:

James M. Galbreath,  
Representing the Complainants.

Trax & Parker,  
Representing the Respondents.

*Report of the Commission.*

RILLING, *Commissioner*:

The respondent, the Union Heat and Light Company, was organized under the Natural Gas Act of 1885 on November 4th, 1888, for the purpose of serving Harrisville borough and other communities in Butler and Mercer counties. Its supply was originally secured from the Keister field, so-called, near Harrisville. Later its charter was amended to permit it to supply other towns in Venango county, and it also made a contract with the United Natural Gas Company for an additional supply of gas, which, by the terms thereof, is to be distributed only to towns therein specified. Harrisville is not included. The contract further provides that the United Natural Gas Company may at any time terminate the same.

The supply of respondent at the Keister field has practically failed, and as a result respondent's patrons, at Harrisville and other places served from said source, have little or no gas. This was especially true during the severe winter of 1917-1918, and is likely again to occur. Many of the houses in Harrisville and other points served by respondent have no other means of heating, lighting or cooking, except by natural gas. To use any other fuel would involve much expense in refitting their premises.

The complaint filed alleges that the service of respondent is inadequate, that it discriminates against the residents of Harrisville, by not supplying them with the gas obtained from the United Natural Gas Company.

The complainants in this case are confronted with a condition that will, to a greater or less extent, present itself to other communities in western Pennsylvania enjoying natural gas service. Natural gas is one of Pennsylvania's greatest assets. For many years it has been supplied over an extended area for both domestic and industrial purposes. Its real value at first was little appreciated and it was wasted in a most profligate manner. All indications point to a fast decreasing supply thereof. It is apparent that it will be only by concerted effort, on the part of all who use natural gas, to curtail its consumption, that its continued supply may be extended. It is obtained by drilling wells of various depths, which can only be done, particularly at the present prevailing high prices, at considerable expense, and wells that are found to produce are generally limited in their supply both in amount and time.

The testimony adduced shows that not only the respondent but others have caused additional gas wells to be drilled in the territory within a reasonable distance of Harrisville, but without securing any supply. It is evident that the supply of natural gas in that territory is being rapidly exhausted. Respondent endeavored to secure a supply of gas for complainants by contracting for same from other gas companies, but was unable so to do.

The efforts respondent has made to secure gas in the vicinity of Harrisville, as shown by the evidence, convince us that respondent

has complied with its charter duty to secure a further supply of natural gas for its patrons at Harrisville and adjacent territory and has been unable to do so by reason of the failure of natural gas in the locality. To compel it to make a more extended attempt to secure such supply would impose upon it a greater expense than it should be called upon to make.

820 The gas supplied by the United Natural Gas Company to respondent for its patrons at Grove City and other communities, is found some distance northward of Grove City. The amount of gas received by respondent is insufficient to serve all of its patrons at Grove City, Harrisville and other points, and is also decreasing. On account of its extent we are of opinion that by restricting the same to its Grove City patrons, respondent is not discriminating against complainants.

The complaint is therefore dismissed, and an order will accordingly issue.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had and the Commission having on the date hereof made and filed on record a report containing its findings of fact and conclusion thereon, which said report is hereby approved and made a part hereof:

Now, to wit, April 15th, 1919, it is ordered: That the complaint in this case be, and the same is hereby dismissed.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

The Public Service Commission of the Commonwealth  
Pennsylvania.

Complaint Docket, No. 2576.

C. W. DEAN

VS.

ABINGTON ELECTRIC COMPANY.

The Commission can make no order requiring an electric company to render service in a territory in which it has no charter right to engage in business.

Appearances:

George Morrow,  
Representing the Complainant.

F. C. Hanyen,  
Representing the Respondent.

*Report of the Commission.*

By the COMMISSION:

The complainant, C. W. Dean, resides in West Abington Township, Lackawanna County, where he owns two dwelling houses, a barn, a garage and a blacksmith shop which he has wired and equipped for electric lights and for other household conveniences. He has constructed a pole line about one and two-tenths miles in length to the service wires of respondent company and now complains that the respondent has refused to render him service over this line.

The respondent admits some of the allegations and denies others, and offers to render service but upon terms which the complainant says would be objectionable to him and therefore prohibitive. It appears from the evidence and from an inspection of the respondent's articles of incorporation that the latter is authorized to furnish electric service in South Abington Township (out of which the borough of Clark's Summit was erected), and in the boroughs of Dalton and Waverly, in Lackawanna County, and in the borough of Factoryville, in Wyoming County, but not in West Abington Township, where complainant resides.

It further appears that for a year and a half prior to the filing of this complaint, the complainant was negotiating with respondent for electric service under circumstances substantially as follows: The respondent manufactures no electricity, but procures the current which it distributes to its patrons from the Scranton and Bingham-

ton Railway Company. Near the borough of Factoryville, on branch of the railway company's power line extends to that borough and beyond, while the other branch passes through the complainant's farm and near the buildings for which service is desired, tending on to Lake Winola. On this latter line the railway company has not strung any service wires by which it could supply the respondent with current, and because of the high cost of material, labor, etc., and later receivership, it has declined and perhaps has been unable to do so, although it entered into some kind of an agreement by which it was to supply respondent with current along this line.

When it became evident that this method of reaching complainant was not immediately feasible, complainant and respondent carried on negotiations for some other means of providing service. Finally the complainant undertook the construction at his own expense, which amounted to a little more than \$800.00, of a pole line properly insulated and wired to a point where the service wires supplying respondent on the poles of the railway company could conveniently be reached. This construction was made under a private contract with the respondent's superintendent of construction; the wires, pins, cross-arms and insulators were purchased by complainant of respondent under circumstances which justified the complainant in the conclusion that when his line was completed it would be satisfactory to respondent and enable him to receive the desired electric service. There was some conflict of testimony with respect to the contract or contracts which were prepared by an officer of the respondent company, one of which contracts was signed by both parties, but these do not appear to be very material to the issues involved, except as they disclose the respective attitudes of the parties hereto. When the complainant's line was completed, the respondent refused to render service except by transforming the current from 2,200 volts, as it is received from the railway company, to the required voltage at the junction point with complainant's line and there metering it, whereas the complainant demands that the current be transformed and metered in proximity to his buildings. The essential difference was shown to be that transformed one and two-tenths miles away, the line loss at such low voltage would be so considerable that the current delivered to complainant's buildings would be inadequate to his needs either with respect to light or small power, whereas the line loss on 2,200 volts over the same wires, transformed near the complainant's building, would be so inconsiderable as not to be appreciable. The respondent objected to transforming or metering off its own lines because it claims that it might thereby be subject to damages sustained by reason of faulty or badly maintained lines over which it had no control, but this was answered in part by complainant's offer at the time of hearing:

"The complainant agrees to maintain this line and to pay all the expenses of furnishing the current between the junction and Mr. Dean's house and to indemnify the company against any loss sustained to persons or property caused by this line; and the complainant



ant also agrees to allow the respondent to use this line for the purpose of furnishing other consumers along the line, or accessible thereto, without any other cost than to refund to him such an amount as the revenue warrants over and above what the company would be entitled to until such time as the line is paid for and made the property of the electric company."

Under all the circumstances in this case, the Commission would unhesitatingly make an order requiring respondent to render this service, transforming the current from 2,200 volts to the required voltage in the vicinity of complainant's buildings, were it not for the legal obstacles which stand in the way. The respondent has no charter obligation to render service in West Abington Township, and so far as the evidence discloses has never undertaken to exercise any rights to distribute electric current therein. There is, however, no legal obstacle except of its own making to its so doing.

The equities of the case, therefore, constrain the Commission to suggest for favorable consideration by respondent, that this service to complainant be undertaken with meter and transformer located on or near complainant's premises so that current at the required voltage may be delivered to his buildings. In the event of respondent's so doing, it should be indemnified against claims for damages. It is undisputed that the revenue assured to respondent from this service would be as much as it could exact from any patrons along its own service wires for similar demands.

The complaint, however, under the law controlling the case, must be dismissed. An order will be entered accordingly.

#### *Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof;

Now, to wit, May 13, 1919, it is ordered: That the complaint in this case be, and the same is hereby dismissed.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,

*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,

*Secretary.*

823

No. 632.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, No. 2914.

R. W. PETERS and BESSIE W. PETERS

vs.

PENNSYLVANIA GAS COMPANY.

The respondent was ordered to extend its mains in order to afford the complainant with an adequate supply of natural gas. The Commission is not to be considered as committing itself to a policy of general extension. The necessity for extensions will be determined from the facts in each case.

Appearances:

William E. Hirt,  
Representing the Complainant.

C. H. English,  
Representing the Respondent.

*Order.*

This matter being before The Public Service Commissioner of the Commonwealth of Pennsylvania upon complaint alleging that the respondent, the Pennsylvania Gas Company, refused to extend its gas mains to properties of the complainants situate in the City of Erie, and answer on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and it appearing to the Commission that the complainants had erected buildings after they had entered into an agreement with the Pennsylvania Gas Company to extend its mains so as to serve the properties of the complainants, and that said extension was delayed on account of war, wherefore the complaint in this case should be sustained on account of the unusual conditions presented, but in so doing the Commission is not to be considered as committing itself to a policy of general extension;

Now, to-wit, August 26, 1919, the respondent, the Pennsylvania Gas Company, is ordered to extend its main in Thirteenth Street, in the City of Erie, so as to furnish the complainant an adequate supply of natural gas.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,

*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

824 No. 6650.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, No. 2965.

H. N. FLEMING

vs.

HOME HEATING COMPANY.

The Commission ordered the Home Heating Company of Erie to extend its steam heating main so as to adequately supply the apartment house of the complainant situate at the corner of Eighth and Sassafras Streets in said city.

Appearances:

Charles P. Hewes,  
Representing the Complainant.

Charles S. English,  
Representing the Respondent.

*Report of the Commission.*

AINY, Chairman:

The complainant, who is the owner of apartment buildings containing eighty-two rooms and twenty apartments, located at the corner of Eighth and Sassafras Street in the City of Erie, seeks to compel the Home Heating Company to extend its steam heating mains some 437 feet so as to serve his property.

The respondent company has mains on Sixth and Ninth Streets, parallel to Eighth; and on Peach Street, which is parallel to and one block removed (660 feet) from Sassafras Street. On Sassafras Street, and connecting with its Sixth Street main, the company has laid a six inch pipe in the direction of complainant's property. The numbered streets are about 330 feet apart, and complainant can be served by a line on Sassafras Street connecting with the Ninth Street line, or by one on the same street running in the opposite direction, connecting with the six inch main leading into Sixth Street.

Sassafras Street is closely built up, is in the central part of the city and in the heart of respondent's steam heating system. The complainant is within comparatively easy service access of existing mains from three different sides or points.

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Negotiations between the parties have been going on for some time, but without effective results, and hence the pending complaint was filed. The respondent offered testimony to show that the cost of laying the required main would be \$4,900.00, and that the revenues from complainant's property would be about \$1,200.00 per year, which would be supplemented by rates paid by other consumers along the proposed line. The complainant's estimate, based upon the rates imposed upon other and smaller apartments, was that his annual charge for heat consumed would be nearer \$1,650.00 to which other consumer revenues would be added.

The company offered evidence to the effect that the taking on this additional service would overload its lines, and would require plant expenditures making up a total of \$11,000.00, but this was disputed.

Under all the evidence in the case, we are of the opinion that respondent's obligation to render public service requires this extension to be made. It, of course, may do so by extending its mains from any convenient point if the service given is adequate. The laying of these mains should be accompanied by some assurance of continued patronage and consequent revenue, and the complainant should give, in writing to the respondent, a guaranty, or other appropriate undertaking, that the revenues from his own and other consumers, who may be attached to the proposed extension, will for a period of five years from the time service is installed be not less than \$1,650.00 annually.

It appears that complainant made some offer to help the respondent finance this undertaking, and we are of the opinion that this too, should be carried out if respondent desires temporary assistance, upon the following terms: complainant to loan respondent \$2,500.00 at six per cent interest, to be repaid by credit \$500.00 per year in addition to annual interest, on complainant's bill.

825      An order to make the extension to the complainant's property, upon the acceptance by complainant of the conditions herein imposed, will be entered.

(Commissioner Rilling did not participate in the discussion or vote on this report.)

#### *Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof;

Now, to-wit, October 28, 1919, the respondent, the Home Heating Company, is ordered: To immediately extend its steam heating mains so as to furnish adequate service to the apartment house of the complainant, situate on the corner of Eighth and Sassafras Streets in the City of Erie, upon the acceptance by the complainant of the following conditions, to-wit:

(a) That the complainant give, in writing, to the respondent, a guaranty, or other appropriate undertaking, that the revenues from his own and other consumers, who may be attached to the proposed extension, will for a period of five years from the time service is installed be not less than \$1,650.00 annually.

(b) That the complainant lend the respondent \$2,500 at six per cent interest, to be repaid by crediting \$500.00 per year, in addition to annual interest, on complainant's bill.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

826

No. 669.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, No. 2976.

W. PERCIVAL JOHNSON et al.

vs.

PHILADELPHIA SUBURBAN GAS & ELECTRIC COMPANY.

The Commission ordered respondent to extend its gas mains necessary to provide service to complainant.

Appearances:

E. Wallace Chadwick,  
Representing the Complainants.

George S. Munson,  
Representing the Respondents.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint of W. Percival Johnson and others, owners of properties fronting on Rolling Road in Springfield Township, Delaware County, requesting that the Commission order the respondent, the Philadelphia Suburban Gas & Electric Company to extend its gas main from its present existing main on Springfield Avenue in said township along and in the bed of Rolling Road, in a northerly direction for a distance of 2,189 feet, so as to furnish the complainants with an adequate supply of gas,

and answer on file, and having been duly heard and submitted by the parties and full investigation of the matters and things involved having been had;

Now, to-wit, October 28th, 1919, the respondent, the Philadelphia Suburban Gas & Electric Company, is ordered: To extend immediately its gas main from its present existing main on Springfield Avenue in Springfield Township, Delaware County, in a northerly direction along and in the bed of Rolling Road, said township, to a point in said road opposite lot No. 57 thereon, a distance of 2,189 feet, and to furnish the complainants, the owners of properties fronting on Rolling Road, an adequate supply of gas.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

827

No. 673.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, No. 2974.

H. N. SMITH et al.

vs.

HOME ELECTRIC LIGHT AND STEAM HEATING COMPANY.

The Commission ordered respondent at its own cost to extend its lines and facilities necessary to provide service to complainant.

Appearances:

H. N. Smith,  
Representing the Complainant.

C. L. S. Tingley,  
Representing the Respondent.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania, upon complaint alleging refusal on the part of respondent to extend electric service to complainants in Tyrone, Blair County, Pennsylvania, and answer on file, and having been duly heard and submitted by the parties and full investigation of the matters and things involved having been had;

Now, to-wit, November 6, 1919, it is ordered: That the respondent, the Home Electric Light and Steam Heating Company, at its own cost, make the extension to its line and facilities necessary to provide the service applied for, within thirty days from the date of service of this order.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,  
*Chairman.*

Attest:  
[SEAL.] A. B. MILLAR,  
*Secretary.*

828 No. 679.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, No. 2956.

I. N. HICKMAN et al.

vs.

RANDALL GAS COMPANY.

Upon complaint alleging proposed discontinuance of natural gas service, respondent was ordered to furnish such service at just and reasonable rates.

Appearances:

Challem W. Wayckoff,  
Representing the Complainant.

Terrence D. Stewart,  
Representing the Respondent.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint alleging proposed discontinuance by respondent of natural gas service to the residents of Taylortown, Dunkard township, Greene county, Pennsylvania, and answer on file, and having been duly heard and submitted by the parties and full investigation of the matters and things involved having been had;

Now, to-wit, November 11, 1919, it is ordered: That the complaint in this case be, and the same is hereby sustained;

And it is further ordered: That respondent, the Randall Gas Company, furnish adequate natural gas service to complainants and



others in Taylortown, Dunkard township, Greene county, Pennsylvania, at just and reasonable rates.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY, *Chairman.*

Attest:

[SEAL.] A. B. MILLAR,  
*Secretary.*

829

No. 687.

The Public Service Commission of the Commonwealth of Pennsylvania.

Complaint Docket, Nos. 2985 and 2987.

Application Docket, No. 2807-1919.

F. L. WILLIAMS et al.

VS.

UNION HEAT AND LIGHT COMPANY.

In re Application of UNION HEAT AND LIGHT COMPANY for Approval of Amendment to Charter (A. D. 2807-1919).

Complaints were made against the proposed discontinuance by respondent of natural gas service in certain districts covered by its charter, and, at the same time, application was made by the respondent to amend its charter so as to alter its territory of production and supply for consumption by abandoning all of its franchises and charter rights necessary for supplying said districts with natural gas.

The undisputed testimony showed that respondent company's gas supply was practically exhausted; that it had no available gas producing territory and was unable to produce by drilling its territory or by purchase from other companies, the gas necessary to adequately, efficiently and safely serve the territory proposed to be abandoned; and that the only reason for not surrendering all of its franchises and charter rights, by dissolution of the corporation, was because it had contracts with other gas companies.

Appearances:

Milford L. McBride,  
J. H. Cochran,  
Representing the Complainants.

J. D. Trax,  
Representing the Respondents.

*Report of the Commission and Orders.*

REED, Commissioner:

The Union Heat and Light Company was incorporated in 1886, under the Natural Gas Act of May 29, 1885, P. L. 29, for the purpose of producing, dealing in, transporting, storing and supplying natural gas for heat and light; the gas to be mined for and produced in the township of Mercer, in the county of Butler and the vicinity thereof, and to be supplied to consumers in the towns of Grove City, in the county of Mercer, and Harrisville, in the county of Butler, and other boroughs, towns and places in the counties of Butler, Mercer and Venango.

In August 1919, the Company gave notice that it intended to discontinue service in certain districts which resulted in F. L. Williams, et al. filing complaints against such discontinuance; the company then gave notice to consumers that it intended to make application, pursuant to Section 5 of the Act under which it was incorporated, to alter its territory of production and supply for consumption by abandoning all of its franchises and charter rights except as to that part of the territory covered by its charter which included the boroughs of Grove City, Stoneboro and Sandy Lake, and it thereafter filed in the office of the Secretary of the Commonwealth a copy of the resolutions passed by its stockholders expressing its desire to make the proposed alteration, specifically designating the pipe lines and branches proposed to be abandoned, to become effective from and after September 25, 1919.

Included in this proposed abandoned territory are Harrisville, Butler County, Hallville, a suburb of Grove City, Mercer County, the village of Forrestville and a few consumers along its main supply line. The application for the alteration of territory was protested against by consumers in Harrisville and in Hallville. The complaints against the discontinuance of service, the application for the alteration of the territory of production and supply, and the protests against this application were heard together and will be severally considered and disposed of by this report and the order of the Commission.

The following facts are found from the undisputed testimony, viz: The Company has 35 wells tied to its gas line in the territory proposed to be abandoned; 27 of these wells, although drilled for gas are producing oil. A small quantity of gas is produced with the oil and this is turned into the gas line. The entire gas production in this territory is confined to what is referred to in the testimony as the "Keister Gas Field," where the company has 1.051 acres of land under lease. After extended drilling, explorations and efforts to obtain additional gas to furnish an adequate and safe supply to the complainants and protestants, the company has been unable to amplify the supply beyond that obtained from the Keister Field. This entire production is supplied to the consumers within the territory which the company now asks leave to surrender and abandon, and it is wholly inadequate to meet the

needs of these consumers and is so far exhausted in quantity and pressure as to make its use unsafe and dangerous.

The company has two or three gas wells in the Stoneboro and Sandy Lake district, but the production is not sufficient to supply its consumers in these places, and the deficiency is made up by purchase from the Clarion Gas Company. There is no gas line connection between the Stoneboro and Sandy Lake district and what may be termed the "Keister District," which districts are separated by an intervening distance of about 12 miles. The company also has a contract with the United Natural Gas Company to sell it all the gas required to fully supply its consumers within the borough of Grove City. This contract, by its terms, expires in March 1924, and is subject to cancellation by the United Natural Gas Company whenever its supply of gas is required to meet the demands of its own customers. The gas supplied to consumers in Grove City is purchased from the United Natural Gas Company and the New Wilmington Gas Company. The latter company has a very limited supply of gas, and the quantity which the Union Heat and Light Company can obtain from it could not be advantageously used for any other purpose than that for which it is now used in supplementing the supply obtained from the United Natural Gas Company for consumption in Grove City. On application the United Natural Gas Company has refused to sell any additional gas to be used outside the limits of the borough of Grove City, and the evidence conclusively establishes that the Union Heat and Light Company is unable to obtain by drilling its chartered territory, or by purchase, the necessary gas to adequately and safely supply consumers within the territory proposed to be abandoned.

The present supply to these consumers is not only inadequate to meet the requirements, but has become so reduced in quantity and pressure as to make it unsafe for use for any purpose. The diminished flow and pressure will not admit of any regulation, and in order to furnish the gas to the consumers it is necessary to allow it to flow direct from the wells without any regulation whatsoever. Moreover, if there is any very general use made of the gas by consumers the quantity and pressure are so reduced that lights go out and no gas can be obtained for either heat or light. This creates an unsafe and dangerous condition, and is liable to result in asphyxiations or explosions causing loss of life and property, if some of the consumers on the line turn off the gas when their lights go out and others neglect to do so.

The only use that can be made of the present gas supply is for light and cooking, and the supply is not sufficient for these purposes. For cooking it has to be supplemented with some other combustible material. The cost to the company to furnish this insufficient and irregular supply of gas to these consumers greatly exceeds the revenue received from it. It is not the purpose of the company in surrendering its franchises and charter rights in this territory to make any other commercial use of the gas now produced therein, and the only reason for not surrendering all its franchises and charter rights, by a dissolution of the corporation, is because it has

contracts with other gas companies whereby it can continue for the present to supply its consumers in the boroughs of Grove City, Stoneboro and Sandy Lake with gas.

In view of the undisputed testimony that the company's gas supply is practically exhausted; that it has no available gas producing territory and is unable to produce by drilling its territory, or by purchase from other companies, the gas necessary to adequately, efficiently and safely serve the territory proposed to be abandoned, there appears to be no other alternative than to dismiss the complaints against the discontinuance of service and to grant renewal of its application to alter its territory of production and supply as prayed for, and it will be accordingly so ordered.

*Order.*

These matters being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaints and answers on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof;

Now, to-wit, November 25, 1919, it is ordered: That the complaints in these cases be, and the same are hereby dismissed.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH  
PENNSYLVANIA.

WM. D. B. AINEY,

*Chairman.*

Attest:

[SEAL.] A. B. MILLAR,

*Secretary.*

Application Docket, No. 2807-1919.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon petition and protest on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof;

Now, to-wit, November 25, 1919, it is ordered: That a certificate of public convenience be issued evidencing the Commission's approval of the amendment to the charter of the Union Heat and

Light Company, as set forth in resolutions of the Directors and Officers of said corporation, adopted August 21, 1919, upon filing in the office of the Secretary of the Commonwealth of Pennsylvania proper certificate as provided by Section 5 of the Act of Assembly of this Commonwealth, approved May 29, 1885, P. L. 30, said certificate to have attached thereto duly executed copy of the certificate of public convenience hereby directed to issue.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY, *Chairman.*

Attest:

[SEAL.] A. B. MILLAR, *Secretary.*

833

No. 724.

The Public Service Commission of the Commonwealth of Pennsylvania.

Application Docket, No. 2785-1919.

In re Application of GLEN MILLS ELECTRIC COMPANY for the Approval of the Incorporation of the said Company for the Purpose of Supplying Light, Heat, and Power by Means of Electricity to the Public in the Township of Thornbury, Delaware County, Pennsylvania.

The Commission refused to approve the incorporation of an electric company where such approval would result in competition.

Competition in public service with its attendant evil of duplication of plant investment, the burden of which ultimately falls upon the rate payers, is to be avoided.

Certificates of Public Convenience are not granted in order that legal rights may be acquired by corporate interests and then held for the purpose of exploitation or development at a later period. Certificates are granted only if and when public convenience or necessity is shown to demand their issuance. When issued, it follows, as a matter of good faith and legal obligations, that immediate efforts should be put forth for the public requirements.

Appearances:

Joseph B. Townsend, Jr.,  
C. H. Scott, Jr.,  
A. M. Holding,  
Representing the Applicant.

Ralph J. Baker,  
Arthur B. Huey,  
Representing the Protestant.

*Report of the Commission.*

By the COMMISSION :

This is an application for the issuance of a certificate of public convenience evidencing the Commission's approval of a charter and the beginning of the exercise of the rights thereunder, in territory for which another and protesting company has secured such rights.

The Thornbury Township Electric Company was incorporated in February, 1915, and obtained a certificate of public convenience to render electric service in Thornbury Township, Delaware County. This corporation and its rights were in due form of law by merger, with the approval of the Commission, incorporated into the Delaware County Electric Company in August, 1916.

With the exception of stringing a few short spans of wire, entirely disconnected from any electric circuits, the Delaware County Electric Company apparently made no serious attempt to exercise its acquired rights or to render to the public the service which under the charter of its constituent company, the Thornbury Township Electric Company, it was obligated to perform, until about the period the Glen Mills Electric Company presented the pending application for approval of its charter.

In other words, the Thornbury Township Electric Company or the Delaware County Electric Company have permitted a period of over four years to elapse without making any substantial efforts to function in public service in the territory in question. The testimony discloses that not until notice that a competing company was prepared to enter the field did the protestant company take on activity to comply with its public obligations. Such a situation, under anything like normal or usual circumstances, should not and could not be tolerated. It would be the plain duty of this Commission to grant public relief, either by giving another company the right to enter into the territory competitively, or by compelling the recreant company by appropriate order to extend its service.

Certificates of public convenience are not granted by this Commission in order that legal rights may be acquired by corporate interests and then held for the purpose of exploitation or development at a later period. Certificates are granted only if and when public convenience or necessity is shown to demand their issuance. When issued, it follows as a matter of good faith and legal obligation that immediate efforts should be put forth to care for the public requirements. If such obligations are not fulfilled, it follows that the Commission may, in a proper case, permit the territory to be served by a competing company.

In this case the Delaware County Electric Company, apart from general disavowal of neglect in the exercise of its rights, sets up the claim that it was prevented by war conditions and the demands upon its equipment for war work, from extending its service into Thornbury Township. There is sufficient in the testimony to lead the Commission, if not to absolve the protestant entirely, at least to give it

the benefit of the doubt and to afford it a further opportunity to exercise its rights, now that war priority demands no longer prevail.

In so concluding, we are placing emphasis upon the fact that the non-competitive rule is one that ought not to be lightly set aside, because it is a rule of regulatory policy inuring to the benefit of the public and the utility. Competition in public service, with its attendant evils of duplication of plant investment, the burden of which ultimately falls upon the rate payers, is of course to be avoided.

In the circumstances the Commission is unable to find, upon a consideration of all the evidence that the approval of the pending application is necessary or proper for the service, accommodation, convenience or safety of the public, and it is therefore refused.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon application and protest on file, and having been duly heard and submitted by the parties, and full investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made a part hereof;

Now, to-wit, February 3, 1920, it is ordered: That the prayer of the petition for a Certificate of Public Convenience be, and the same is hereby refused and the application dismissed.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

MILTON J. BRECHT,

*Acting Chairman.*

Attest:

[SEAL.] JNO. G. HOPWOOD,

*Acting Secretary.*



No. 778.

The Public Service Commission of the Commonwealth of  
Pennsylvania.

Complaint Docket, No. 3147.

AUSTIN BOROUGH COUNCIL

VS.

POTTER GAS COMPANY.

Natural Gas Companies—Service—Indequacy of Pressure and  
Supply.

Upon a complaint alleging insufficient supply of the natural gas furnished to complaining borough, due to the small size distribution pipes installed by respondent and the inadequate pressure caused thereby, the Commission found that owing to the general exhaustion of the gas fields the replacing of the entire pipe line of respondent would be unwarranted, but ordered certain specific replacements to be made.

Decided April 20, 1920.

S. C. Bayless and Dr. F. W. Orwan for Borough Council.  
E. B. Reeser for Respondent.

*Report of the Commission.**BRECHT, Commissioner:*

This complaint alleges that the respondent's supply of natural gas to the public in the borough of Austin, Potter county, has been entirely inadequate for the purpose of heating and cooking in cold weather; that due to the proper service furnished, the public schools had to be dismissed on certain days in November and December last; and that in many of the homes the occupants have been unable to maintain a temperature of 60 degrees in extreme winter weather. As a result of the poor service it is further alleged that a situation exists in Austin that is detrimental to the health of its citizens. The insufficient supply of gas complainants contend is due to inadequate pressure resulting from the failure of the company to lay 6-inch distributing pipes as required under a borough ordinance, and the replacement of a 5 $\frac{3}{8}$ -inch supply pipe leading from the gas fields by a 3-inch line.

In its answer respondent admitted that its supply of gas in Austin has not been adequate to meet all demands of the service during certain hours of certain days in the month of December, 1919, but attributed such inadequacy in Austin and other places to a reduced field supply. It averred that it has not extended its distributing

lines into any additional communities since 1908, and that it has not entered into new contracts for service recently except such as it was required to make in compliance with its duties as a public service company. It maintains that the Austin situation is due to a diminution in the supply of natural gas in the fields, and not to any neglect or negligence in the rendition of respondent's service.

The borough of Austin has a population of approximately 1,450, and 348 service connections with the plant of respondent. It is located about 12 miles from the natural gas fields in the vicinity of Roulette, and is supplied with current through a 3-inch pipe from a compressor station at the latter point. The line into Austin is a branch of a main artery leading into respondent's primary trunk line which extends from the borough of Shingle House to Elmira, New York. The latter with its chain of feeders and laterals to Pennsylvania and New York towns constitutes the plant system of the Potter Gas Company. In the borough of Austin the supply is distributed from two regulators through a series of 5-inch, 3-inch and 2-inch pipes gridironed together into one system of delivery. The service pipes owned by the consumers are mostly 1-inch and nearly all house piping is  $\frac{3}{8}$  inch.

It appears that respondent began doing business in Austin in the latter part of 1899, obtaining its supply through a 3-inch pipe from gas fields in McKean county by way of Coudersport. According to the record the original company operating under a franchise in the borough of Austin was the Consumers Gas Company whose rights and privileges were ultimately absorbed by the respondent. Under an ordinance passed in June, 1901, that company was granted the right to enter upon the streets of Austin for the purpose of supplying natural gas to the public on condition that the company's mains from the wells to the borough limits shall not be less than 836 4-inch pipes, and upon the principal streets of the borough not less than 6-inch pipes laid 12 inches underground. In due course of time a 5 $\frac{1}{2}$ -inch supply main was installed from the gas fields which has since been practically all replaced by respondent with a 3-inch line and a compressor station at Roulette. There were no 6-inch pipes laid in the borough as called for in the ordinance.

From an inspection of respondent's pressure records at Austin it has been ascertained that during the past winter of 1919-1920, there were nineteen days at least when the pressure was insufficient to maintain a proper temperature in the homes or provide adequate heat for the purpose of cooking. In the winter of 1916-1917 the pressure as found recorded was sufficient to provide adequate service. In 1917-1918 slight trouble occurred in January but of short duration, while in 1918-1919 no periods of low pressure appear to have occurred. It was conceded on behalf of complainant that when the weather is not very cold the supply of gas seems to be sufficient to answer all essential needs.

The pressure gauge of the company upon which the records are made is located at its office in the center of the town and was found in a test check made upon it to be accurate in its registration. Dur-

ing the 19 days of low pressure at Austin indicated above, the records for Galeton a town similarly situated and supplied by respondent show a pressure as low as Austin and on some of the days even lower. But at Port Allegany and Coudersport both supplied through larger mains but located closer to the source of supply the pressure for the same intermittent period was sufficiently high to give satisfactory service.

The witnesses for complainant maintained that the shortage in the gas furnished at Austin is due chiefly to the small size pipes installed by respondent in its supply and distribution system for that community. Respondent admits an inadequate supply at certain stated times but ascribes it to the general depletion or exhaustion of the gas fields, contending that the pipes now laid are large enough to carry an adequate flow when there is a sufficient volume of gas obtainable from the wells. The insufficient supply of gas at Austin during periods of extremely cold weather when Coudersport with a 5½-inch feeding main experienced no trouble, would appear to indicate quite clearly that the 3-inch line supplying complainant is not large enough to carry the volume of gas required a distance of approximately 12 miles when a low temperature is prevailing. But the question of replacing the existing line by a larger one involving an outlay especially under present day prices of many thousands of dollars, would be difficult to justify in this instance in view of the comparatively few days of the year during which a larger main would be found necessary, more especially when considered from the angle of what is generally regarded as a depletion of the gas fields, and the consequent uncertainty as to the future of the natural gas situation.

It would appear from the evidence that in a situation like the one at Austin where the trouble experienced is limited at the utmost to a comparatively few days in the year, the patron through a proper cooperative spirit could accomplish much to reduce to a negligible quantity the occasional inconvenience which may arise. This could be brought about in large measure if the consumer were to provide himself with proper auxiliary heating appliances to be utilized during days of extreme winter weather.

It is incumbent upon all patrons in natural gas territory in these days of conservation and economy campaigns encouraged in more or less all communities affected because of a gradually diminishing supply of gas, to recognize the importance of carrying a certain share of the burden imposed under the changed and changing conditions controlling the supply and consumption of this natural commodity. The extravagant and wasteful habits bred as it were in the bone through long years of an unlimited supply of this gas must give way to an era of prudent and cooperative economy in its use and distribution.

In the present instance it was ascertained from a field inspection made by an engineer of the Commission that the fixtures of consumers are typical of those usually found in natural gas territories. The service lines are nearly all ¾ inch and therefore too small to

serve their purpose adequately. The cook stoves and heaters are largely neglected, the air mixtures being incorrectly adjusted causing wasteful red flames to predominate. The range burner flames are generally too long and lick the base of cooking utensils instead of being so adjusted that the flame tips will just touch the vessel about being heated. In many of the converted ranges and heaters the draft from the chimney sweeps the flame away from the object to be heated.

In view of the tense situation now obtaining throughout natural gas territory by the apparent shrinkage in the volume of gas obtainable, it would appear to the Commission under the combination of circumstances here present, which it is safe to assume are duplicated in other communities served by the same company, that the respondent in the interest of protecting its own property and promoting the efficiency of its public service, should inaugurate and encourage a campaign of education in the way of suggestions and helpful advice which would look towards the use of more economic heating and cooking appliances by the consumer, and the installation of service lines and house piping better suited for their purposes. This could be done in various ways and at such opportune times as the  
837 season may require either through one of its engineers or its local superintendent under some system of inspection and regulation at a modicum of additional expense.

Under all the circumstances as they appear in the record and evidence, supplemented by supporting data discovered from a survey of the local situation by its expert, the Commission finds that as a partial remedy to increase and equalize the pressure at points of consumption, certain 2-inch pipes and one section of 3-inch pipe used as connecting links in respondent's distribution system at Austin should be replaced by larger pipe. An order will issue directing the Potter Gas Company, respondent, to replace in its distribution system in the borough of Austin:

(a) The 2-inch lines from the 3-inch supply line to its 3-inch regulators with 3-inch lines.

(b) The 3-inch section of the low pressure line on Main Street with a section of 5-inch line.

(c) The 2-inch low pressure line on Elliott Street with a 3-inch line.

(d) The 2-inch low pressure line at the Swedish Lutheran Church with a 3-inch line.

With respect to the prayer for relief in other features the complaint is dismissed with the suggestion that respondent put into active effect some plan of education or supervision that will show the consumer the advantages that would accrue from the installation of a better system of pipage on his premises and from having a more modern adjustment made in his equipment for heating and cooking. It is believed where the patron is approached upon this matter in the proper spirit and shown how his gas troubles may be materially re-

need, he will be found in a receptive state of mind and make some effort to co-operate. The Commission is fully persuaded that a reciprocal attitude of this kind must ultimately be established between the utility and the user before a workable solution will be found of the problem now rapidly developing in the natural gas situation throughout the country.

*Order.*

This matter being before The Public Service Commission of the Commonwealth of Pennsylvania upon complaint and answer on file, and having been duly heard and submitted by the parties and full investigation of the matters and things involved having been had, and the Commission having on the date hereof made and filed of record a report containing its findings of fact and conclusions thereon, which said report is hereby approved and made part hereof;

Now to wit, April 20, 1920, it is ordered: That the Potter Gas Company, respondent, on or before October 1, 1920, make the following pipe line replacements in its distribution system in the Borough of Austin:

- (a) The 2-inch lines from the 3-inch supply line to its 3-inch regulators with 3-inch lines.
- (b) The 3-inch section of the low pressure line on Main Street with a Section of 5-inch line.
- (c) The 2-inch low pressure line on Elliott Street with a 3-inch line.
- (d) The 2-inch low pressure line at the Swedish Lutheran Church with a 3-inch line.

It is further ordered: That the complaint in so far as it relates to all other matters be, and the same is hereby dismissed.

THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF  
PENNSYLVANIA.

WM. D. B. AINEY,  
*Chairman.*

Attest:

[SEAL.] JNO. G. HOPWOOD,  
*Acting Secretary.*

Office Supreme Court, U. S.  
FILED  
DEC 1 1921  
WM. R. STANSBURY  
CLERK

IN THE

**Supreme Court of the United States**

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**OCTOBER TERM, 1921.**

**Number 17—Original**

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**COMMONWEALTH OF PENNSYLVANIA, Complainant**

**vs.**

**STATE OF WEST VIRGINIA, Defendant.**

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**Complainant's Digest of Evidence**

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**GEORGE E. ALTER,**  
*Attorney General.*

**A. LEO WEIL,**  
*Attorneys for Complainant.*





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**IN THE**

**Supreme Court of the United States**

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**OCTOBER TERM, 1921.**

**Number 17—Original**

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**COMMONWEALTH OF PENNSYLVANIA, Complainant**

**vs.**

**STATE OF WEST VIRGINIA, Defendant.**

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**Complainant's Digest of Evidence**

I.

DESCRIPTION OF WITNESSES AS EXPERTS, THEIR EXPERIENCE, THEIR OPPORTUNITIES FOR OBTAINING INFORMATION RELATING TO THE NATURAL GAS INDUSTRY, &c., AND THE CONTRAST IN THESE RESPECTS OF THE WITNESSES FOR COMPLAINANTS AND THE WITNESSES FOR DEFENDANT.

WITNESSES PRODUCED BY PLAINTIFFS.

HARRY A. QUAY.

(Pages 4-5) :

General Manager of The Manufacturers Light & Heat Company (a Pennsylvania corporation). Has been in the natural gas business for about 25 years. Has served as Assistant General Manager, District Manager, General Foreman and Chief Inspector for numerous gas companies in Pennsylvania, Ohio and West Virginia, to-wit, The Oil City Fuel Supply Company, The East Ohio Gas Company, Irriquois Natural Gas Company, Peoples Natural Gas Company, Northwestern Natural Gas Company, River Natural Gas Company, Mountain State Gas Company, Hope Natural Gas Company, Clarksburg Light & Heat Company, Keener Oil & Gas Company and South Penn Oil Company.

T. O. SULLIVAN.

(Pages 183-184) :

Vice-President and General Manager of the Hope Natural Gas Company. Connected with the natural gas

business for about 35 years. Had been General Manager of The Manufacturers Light & Heat Company for about eight years; has been Superintendent of the Peoples Natural Gas Company, in Pittsburgh, and has served in various capacities for the Central Kentucky Natural Gas Company, the Reserve Gas Company, the United Natural Gas Company and the Buffalo Natural Gas & Fuel Company.

**JOHN B. CORRIN.**

(Pages 316-317) :

Assistant Manager and Vice President of the Hope Natural Gas Company, Manager of the Reserve Gas Company, Vice-President and Manager of the Connecting Gas Company, Vice-President and Manager of the River Gas Company, Vice-President of the Clarksburg Light & Heat Company. Has been in the oil and natural gas business for about 30 years.

**H. A. WALLACE.**

(Pages 358-359) :

General Manager of the United Fuel Gas Company, President of the Cabin Creek Gas Company. Has had 30 years' experience in the oil and gas business. Has served in various capacities for the Hope Natural Gas Company and has been Division Superintendent for said Company in West Virginia.

**JOHN B. TONKIN.**

(Page 416) :

Vice-President and General Manager of the Peoples Natural Gas Company. Has been in the natural

gas business for 26 years. For 16 years was the Treasurer of the Hope Natural Gas Company, the Reserve Gas Company, the Connecting Gas Company, the River Gas Company and the Marion Oil Company. Prior to that was the General Bookkeeper of the East Ohio Gas Company and the Hope Natural Gas Company, and prior to that was in the purchasing department and in field work for the River Gas Company.

W. W. FREEMAN.

(Page 453) :

President of the Union Gas & Electric Company of Cincinnati, Vice-President of the Columbia Gas & Electric Company and Vice-President and Director of the Cincinnati Gas Transportation Company.

JUDGE JAMES H. REED.

(Page 483) :

Senior Vice-President of the Philadelphia Company.

J. E. ANGLE.

(Pages 533-534) :

General Superintendent of the Fayette County Gas Company. Has been in the gas industry for 24 years. Prior to being connected with the Fayette County Gas Company had been connected with the Corning Natural Gas Company, in Ohio, and with the Youngstown Fuel Supply Company, in Pennsylvania.

**MARTIN B. DALY.**

(Pages 563-564) :

President of the East Ohio Gas Company. Has served as President and General Manager, and in an executive capacity has participated in the general management of all the affairs of said Company. Has been individually connected with the natural gas business in all its aspects for 37 years.

**T. J. JONES.**

(Pages 629-630) :

Manager of the natural gas properties of the Pure Oil Company, which includes Columbus, Dayton and Springfield. From 1913 has been connected with gas companies in the vicinity of Columbus, Ohio. From 1898 to 1913 engaged in the artificial and manufactured gas business.

**L. B. DENNING.**

(Pages 650-651) :

Vice-President and Director of the Ohio Fuel Supply Company. Actively identified with this Company since its organization in 1902. From 1902 to 1910 counsel of the Southern District of Ohio for said Company. 1910 General Counsel and Director. 1918 Assistant to President and Secretary of Company and made Director of the Company. In June, 1918, Vice-President of the Company.



J. W. McMAHON.

(Pages 716-717) :

Manager of the Northwestern Ohio Natural Gas Company. Identified with same since 1902. Has had experience in the oil and gas business since 1895. Has worked as fuel agent in Ohio and Indiana and in 1902 became Manager of the Northwestern Ohio Natural Gas Company located at Toledo.

G. F. BATCHELOR.

(Page 741) :

President of the Natural Gas Company of West Virginia since 1915. Connected with said Company for 33 years. Acted as Secretary and Treasurer for 12 years.

EUGENE B. WHITCOMB.

(Page 747) :

President of the Union Natural Gas Corporation. Has had experience in the natural gas industry in Ohio and Pennsylvania for about 45 years. Has been Secretary and Treasurer and Assistant to the General Manager of the Manufacturers Gas Company, Warren and Chautauqua Gas Company, the Northern Oil Company and the Southern Oil Company. From 1902 to 1907 Secretary and Treasurer of the Union Natural Gas Company. From 1907 to 1917 General Manager and Vice-President of the Union Natural Gas Company. In 1917 made President of said Company.

**J. K. ANDERSON.**

(Pages 808-811 Inc.) :

Consulting Engineer and senior member of the firm of Anderson & Taylor, Consulting Engineers, at Charleston, W. Va. Has acted as Consulting Engineer for the Public Service Commission of West Virginia and has had experience in that connection in the matter of the valuation of natural gas utilities. From July, 1913, to October, 1919, acted as Chief Engineer of the Public Service Commission of West Virginia and spent considerable time in matters concerning natural gas utilities. Has had considerable experience in the production of natural gas and has a general knowledge of the gas industry, especially in West Virginia. Is a member of the American Institute of Mining and Metallurgical Engineers, American Society of Civil Engineers, American Association of Engineers and the West Virginia Engineers Association, being President of the latter association. Also a member of the Natural Gas Association of America. Has a particular knowledge of the conditions obtaining in some of the large gas utilities and some of the large industrial consumers of those utilities in West Virginia.

**SAMUEL S. WYER.**

(Pages 860-865, Inc.) :

Consulting Engineer of Columbus, Ohio. An expert on gas questions. Member of American Society of Mechanical Engineers, American Institute of Mining Engineers and American Association for Advancement of Science, and of the American Gas Association. During

the war was in charge of the natural gas affairs of the United States Fuel Administration. All his professional life has been devoted to natural gas problems, since graduating from the College of Engineering of Ohio State University in 1903. Author of numerous treatises on the subject of natural gas and kindred subjects, as per the following:

A textbook on Producer Gas and Gas Producers; a pamphlet on Rate Regulation and Electric power; a treatise on Regulation, Valuation and Depreciation of Public Utilities; a pamphlet on Depreciation of Natural Gas Wells; a pamphlet on Natural Gas Service; compilation of all of the leading cases relating to the use of gas compressors; paper before the American Institute of Mining Engineers on "Is it Feasible to Make Common Carriers of Natural Gas Transmission Lines?"; paper before the American Institute of Mining Engineers on "Development of the Law Relating to the use of Gas Compressors in Natural Gas Production;" paper before the American Institute of Mining Engineers on "Effect and Necessary Use of Gas Compressors in Natural Gas Production;" paper before the American Society of Mechanical Engineers (jointly with Prof. Robert F. Earhart, Professor of Physics, Ohio State University, Columbus, Ohio), on "Deviation of Natural Gas from Boyles' Law;" paper on "Criteria for Making Public Utility Service Extensions," published in Case and Comment; paper on "The Reasonableness and legal Right of the Minimum Charge in Public Utility Service;" paper before the American Institute of Mining Engineers on "Principles of Natural Gas Leasehold Valuation;" paper on "Electrolysis Damages from Stray Electric Currents from Single Trolley Elec-

tric Railways," published in Case and Comment; paper on "Effect of Gas Pressure on Natural Gas Cooking Operations in the Home," (jointly with Edna Noble White and Grace Linder, of the Department of Home Economics, Ohio State University), —this was published as Ohio State University Bulletin No. 28; Digest of all the publication of the Bureau of Standards on Electrolysis of Underground Structures, caused by the Disintegrating Action of Stray Electric Currents from Electric Railways; paper before the Natural Gas Association of America, on "Elimination of Discrimination in Public Utility Rates by Readiness-to-Serve Charges;" paper on "Natural Gas, Its Production, Service and Conservation," published as Part 7, Bulletin 102, of the Smithsonian Institution, Washington, D. C.; pamphlet on "Use and Conservation of Natural Gas," published by the United States Fuel Administration; paper on "Fire Hazard due to Stray Electric Currents from Single Trolley Electric Railways," published by National Fire Protection Association; Compilation of Cases Relating to Off-Set Well Drilling; pamphlet on "Waste and Correct Use of Natural Gas in the Home," published as Technical Paper No. 257, United States Bureau of Mines; Catechism on Natural Gas, prepared especially for those teaching conservation of natural gas, published and printed as part of the natural gas conservation program of the United States Bureau of Mines.

Has studied production, transportation and distribution of natural gas and has made an examination of the plants of natural gas companies in practically every section of the United States.

At the present time is Consulting Engineer for the United States Bureau of Mines, is in charge of the natural gas conservation activities of this Bureau all over the United States, and is working with various other Federal departments on important gas questions. Has been employed from time to time as natural gas expert on the production, transportation and distribution of natural gas to the Federal Government by various States, by a number of Public Service Commissions and by most of the larger natural gas companies of the United States and Canada.

**EDWIN ROBINSON.**

(Page 1372) :

Secretary of the West Virginia Oil and Natural Gas Association since it was organized in 1915. The purpose of this organization is to gather information of the oil and gas industry of the State, and gather statistics that is vital to the oil and gas industry in West Virginia. There are about 2,000 members in this organization, producers of oil and gas, in the State of West Virginia.

**ROBERT CUMMINS.**

(Page 1444) :

Secretary and member of the Board of Directors of and counsel for the South Penn Oil Company. Has kept these official positions for about nineteen years.

Compare foregoing witnesses with those of Defendant as to experience and knowledge of the Gas Industry.

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DEFENDANT'S WITNESSES.

H. E. NEASE.

(Pages 976, 977, 978, 979, 980) :

Has been Chief Statistician of the Public Service Commission of West Virginia for the past seven years. Prior to that time was connected with the office of the State Tax Commissioner for eight years, making a total of 15 years in which he has been connected with the executive departments of the State of West Virginia, i. e., the Board of Public Works or the Public Service Commission. As State Tax Commissioner had charge of the reports made by the public utilities of the State for tax purposes, all public utilities being required to report to the Board of Public Works under the laws of West Virginia. As Statistician is in charge of the Commission's Public Service Department of Statistics and Accounts. Is frequently called upon in an official capacity to make investigations in connection with the rates and service of public service corporations, which investigations involve examination of the books and records of the utilities with respect to their financial operations. Prior to service with the West Virginia Public Service Commission and the Tax Commission was engaged in the lumber manufacturing business as a bookkeeper and assistant manager, and prior to that was a school teacher. Has had no practical experience in the oil and gas business, other than that stated. For 15 years has sat in an advisory capacity with the Board of Public Works. Has never made any personal investigation of gas companies except those that had rate cases pending. In case of appeals from assessments by the Board of Public Works has had occasion to make some further investigations.

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CHARLES E. KREBS.

(Pages 1083 to 1086) :

By profession, General Engineer and Geologist. In 1909 was appointed as assistant state geologist to Dr. I. C. White of the West Virginia Geological Survey; was assistant to Dr. White until 1915. Work here consisted in gathering data for detailed geological reports that were published by the West Virginia Geological Survey under the direction of Dr. I. C. White. From 1909 to 1915 his work took him over a great part of the State of West Virginia. In 1906 took up general geological work leaving the West Virginia Geological Survey, and during 1917 worked in West Virginia, Ohio and some in Kentucky, in which considerable work was done in studying the general structure of oil and gas for different operating companies. In 1918 continued on the same work in West Virginia, Ohio and Kentucky. In 1919 worked along the same line in Ohio, West Virginia, Kentucky, Texas and Louisiana. In 1920 still continued the same. During the past year has done work in West Virginia, Ohio, Kentucky, Texas, Louisiana, Mississippi and a little work in Florida. The data collected in the years 1911 to 1916 related to the study of the general structure of the different counties of West Virginia, making structural maps on which were indicated the anticlines and synclines, and in gathering data for oil and gas wells, their records, elevations, studying the sands where they could get production. His work with the West Virginia Survey has brought him into actual personal experience with and examination of the minerals of West Virginia, including oil and gas.



**J. S. LAKIN.**

(Page 1138) :

Has been a member of the State Board of Control of West Virginia since June 30, 1909. The State Board of Control has charge of the financial and business affairs of the State educational insitutions, and has full power to govern, manage and control all the penal, charitable and correctional institutions. It has charge of the property of the State owned away from the capitol. It has charge of the financial and business affairs of any officer, board or agent of the State of West Virginia not having offices at the capitol. It has charge of the State insurance.

**JOHN J. CORNWELL.**

(Page 1193) :

Governor of the State of West Virginia. Governor since March 4th, 1917.

**B. F. ROBINSON.**

(Page 1202) :

Resides in Clarksburg, West Virginia. Has resided there all his life. Is President of the Clarksburg Light & Heat Company. Has been connected with that Company since its organization in 1904. Prior to the organization of the Clarksburg Light & Heat Company was an officer, for four years, in the West Fork Oil and Gas Company, a local organization. Is a stockholder in the Clarksburg Light & Heat Company.

W. C. ALLMAN.

(Page 1214) :

Resides at Weston, West Virginia. Was Clerk of the Circuit Court of Lewis County for six years, term having expired January 1st, 1921.

I. WADE COFFMAN.

(Page 1216) :

Resides in Clarksburg, West Virginia. Clerk of the Circuit Court of Harrison County for the past 12 years.

R. T. CUNNINGHAM.

(Page 1217) :

Age 46. Secretary and Treasurer of the Monongah Glass Company, located at Fairmont. Has been interested in the glass business since 1910 and an officer of that Company, devoting all his time to it since 1914. Prior to 1914, about 1894, was employed in the coal business, with the Fairmont Coal Company, Consolidation Coal Company and kindred companies.

CHARLES M. SNAITH.

(Page 1251) :

Has been engaged in the production of oil and gas for about 10 years. Prior to that time was in the business of drilling oil and gas wells for about a period of 25 to 28 years. Has drilled wells in Lewis, Gilmer and Braxton Counties, West Virginia, for the Hope Natural Gas Company, South Penn Oil Company, Crude

Oil Company and several independent producers. Together with other associates is at present drilling and producing principally in Lewis County, also in Braxton and Gilmer Counties. Together with his associates has a lease of 1378 acres of gas territory in Lewis, Braxton and Gilmer Counties. Is also producing gas from the Smith Farm of about 200 acres, two and a half miles from Weston in Lewis County. Also producing oil from three farms on Sand Fork in Gilmer County, the acreage there being about 268 acres. As a result of experience gained in drilling for others and in operating on his own behalf, has had occasion to look for leases and is more or less familiar with the oil and gas territory of Lewis, Braxton and Gilmer Counties.

CHARLES A. SHORT.

(Page 1274) :

Has resided within four miles of Shinnston all his life. At present is a contractor and dealer in lumber and builders' supplies. Since October 2nd, 1902, has been interested in the development and furnishing of gas to the town of Shinnston. The Home Petroleum Gas Company, with which he is connected, has an acreage of about 250 acres in Eagle District, Harrison County, about four miles from Shinnston, and 40 acres at the edge of Marion County, two miles beyond the former acreage; 32 acres about two miles North of Shinnston. Is familiar with the section surrounding Shinnston with respect to oil and gas territory and the development of it. Is at present the Vice President of the Home Petroleum Gas Company and a large stockholder in said Company.

**E. D. LEWIS.**

(Page 1297) :

A member of the Public Service Commission of West Virginia since June 1st, 1919.

**GEORGE W. WILSON.**

(Page 1298) :

A resident of Weston, West Virginia. Associated in business with Charles M. Snaith. Has been in the gas business for about 10 years. Prior to that time was in the oil business and real estate business. Had no experience in connection with the production of natural gas until within the last 10 years. Is interested with Mr. Snaith and others in the 1378-acre lease and a little gas well near Weston, in Lewis County.

**VANCE L. HORNER.**

(Page 1304) :

Resident of Lumberport, West Virginia. Has lived in Harrison County, West Virginia, all his life. Has been interested in the oil and gas business since 1907. Is connected with the Lumberport Gas Company as Vice President, and President of the Shinnston Gas Company and President and Manager of the Eagle District Gas Company and Manager of the Horner Gas Supply Company and has some outside wells in partnership with Shaffner Brothers.

PARKE BOWSER.

(Page 1324) :

Resident of Parkersburg, West Virginia, Wood County. Has been engaged in the oil and gas business all his life. Began work at the age of 14 handling wells, and as an owner at the age of 15 or 16. Started in pumping and roust-about work. Worked in the oil and gas fields in Pennsylvania, West Virginia and California for about 20 years. At the present time is engaged in pumping and roust-about work and general work for the different companies and some office work, foreman and superintendent and as owner. Worked first in the oil business as a pumper. In Ohio and in California worked in drilling wells. Then worked for the South Penn Oil Company in Lewis County, West Virginia; did some lease work, office work and foreman work for this Company in the years 1901, 1902 and 1903. Then with the Guarantee Oil Company in Calhoun County, as foreman. Following that looked after his own interests in oil and gas from about 1904 up to the present time. Has worked for others or operated on his own behalf in Lewis, Calhoun, Ritchie, Gilmer and Wood Counties. At the present time is operating in Calhoun, Ritchie and Gilmer Counties, where he has about 70 oil and gas wells. All of these wells produce some gas, but about 15 produce gas alone.

F. C. DEVERICKS.

(Page 1340) :

Is a resident of Clarksburg, Harrison County, West Virginia. Is a native of West Virginia. Has lived practically all his life in the vicinity of Clarksburg. At

present is engaged in producing gas. His experience in the oil and gas industry dates back to 1897. Was first employed by the South Penn Oil Company, in Doddridge County, as a grader on the roads. Next was employed by the Carter Oil Company, pumping, in Doddridge County. Then went to dressing tools. Later worked with the Eastern Oil Company. Later came to Clarksburg and began to look up leases. Has been engaged in the real estate business and the taking of leases in connection with various parties in Clarksburg for about 16 years. Has been interested in the development of gas territory in Doddridge County, and has been engaged in the production of gas in Harrison, Ritchie and Doddridge Counties.

II.

HISTORICAL AND DESCRIPTIVE OUTLINE  
OF DEVELOPMENTS OF AND OPERATING  
METHODS EMPLOYED IN NATURAL GAS IN-  
DUSTRY. THE DISCOVERY OF NATURAL GAS  
AND DEVELOPMENT OF NATURAL GAS FIELDS  
WERE INCIDENT TO OIL DEVELOPMENT AND  
AT FIRST GAS WAS OF NO VALUE THERE BEING  
NO MARKET FOR THE SAME.

HARRY A. QUAY.

Pages 10 to 12; 18 to 20; 23, 24; 126, 127; 128, 129, and  
153 to 155.

T. O. SULLIVAN.

Pages 193, 194; 196 to 203; 249 to 253; cross-examina-  
tion; 284, 285, 314.

JOHN B. CORRIN.

Pages 329, 330, 345, 346—cross-examination.

MARTIN B. DALY.

Pages 579, 584:

L. B. DENNING.

Page 683.

J. K. ANDERSON.

Pages 818, 827.



The testimony of the above witnesses is summarized as follows:

The only way to determine the presence of gas in any particular field or territory is by drilling a hole down into the various gas bearing sands. No other way has been discovered by the trade. Natural gas is found in a comparatively small number of fields, all being small, in Pennsylvania, Ohio and West Virginia.

How long the supply of gas from a particular field or territory will last is indefinite, impossible of determination, but some indication may be furnished by the ratio of decrease in rock pressure. By "rock pressure" is meant the pressure under which the gas is confined in the gas bearing sands. When these sands are tapped by the drill in the well the natural tendency of gas to expand drives the gas to the mouth of the well.

As the supply in a particular sand becomes depleted, the pressure decreases accordingly, owing to the fact that a lesser amount of gas is confined in a given space.

Rock pressure indications are by no means infallible, and wells which have started off with a high pressure have produced less gas than wells which when first drilled showed a low rock pressure. Sometimes the hardness of the sand has some effect upon pressure.

The discovery of gas in any field does not necessarily prove that the drilling of more wells in the same field will result in finding more gas. It is impracticable to shut in wells for the purpose of conserving one's gas since the operations on the adjoining land, will drain the entire gas bearing sand, including that extending

under the land of others as well. Sometimes also rock pressure decreases in a well which has been shut in when there are no operations in the same territory draining the sand. It has been conjectured that this may sometimes be due to the "drowning out" of the wells, that is, the settling of moisture in the well which has been shut in.

In the days preceding the establishment of the gas industry, drilling operations were carried on for the sole purpose of finding oil. In drilling for oil quantities of gas were encountered. At that time the gas was considered useless. As a matter of fact it was a source of constant danger, inasmuch as the gas was liable to ignite and destroy the oil derrick, causing accidents and delaying operations. Ordinarily the gas was taken off to one side of the regular derrick, lighted and permitted to burn. This was the condition until about 1890.

At about this time, however, the potentialities of natural gas as fuel for cooking, heating and lighting purposes began to be observed. The men working on the oil leases took some of the gas to their shanties or to boiler houses and used it for these purposes. Gradually the use extended to homes in the vicinity, later on to little settlements and finally the gas was piped to larger towns. Although the crudeness of the appliances in the early days prevented the service from being altogether satisfactory, still it was noted that the use of this fuel was unaccompanied by soot or dirt, and that it necessitated less work and trouble than did other fuels. The gas was used wastefully because of its abundance and the general impression that the supply was unlimited. This condition was corrected to some extent by installing regulators and meters and other appliances.

When a gas company decides to explore in any given field or territory the first step is to send out representatives to obtain a block of leases. The leases are between the company and the owners of the land, generally farmers. The companies pay rent to the owner of the land for the period between the date of the lease and commencement of operations, sometimes called "delay rentals." If gas is discovered and taken out there is a rental or royalty paid to the owner.

Leases are generally secured over a block of territory to protect wells when drilled from being drained by adjacent operations. A derrick or rig is built on a spot decided upon, generally by the engineering department, if there is one, and a well drilled. The method of drilling is utilizing the force of a body falling through space; in other words, heavy tools, or drills, are repeatedly raised by means of pulleys, ropes, etc., and dropped. These tools or drills or bits, with their stems and jars, weigh perhaps two tons. With each impact of the bit the hole is deepened.

In some districts, as in Louisiana for instance, a different method of drilling, to-wit, rotary drilling, is employed, but the object is always to make a hole in the ground down into the gas bearing sands.

Gas fields are depleted steadily. From this rule there is no variation. This process has been noted in every field which has ever been discovered. As has been indicated above, gas exists in the sands in limited quantities and every foot of gas taken out decreases the supply available by an equal amount.

Gas is not always found at the same distance beneath the earth's surface. Gas has been encountered

in Pennsylvania at a depth of 6,500 to 7,000 feet. However, it is generally found at from 3,000 to 3,500 feet below the surface in Southwestern Pennsylvania and Northern West Virginia. The cost of drilling a well runs between \$15,000 and \$18,000, depending in some measure on the depth to which it is necessary to drill. When gas is found in a well it is usually shut in until a market can be found for it or it can be connected to the pipe lines of a distributing company.

The rock pressure of gas wells varies greatly in different localities and in different sands. It is generally defined as the pressure which will accumulate in a well when the gate or valve at the top of the well is closed and no gas is taken from the well. In other words, it means the pressure at which the gas is confined in the rock.

Storage of gas is possible to perhaps a small extent; that is, limited quantities of gas may be stored in special holders built for the purpose, but one difficulty is that a holder cannot be built that will hold sufficient gas that will make it of any benefit to the trade. A holder containing 10,000,000 cubic feet of gas would be an unusually large one, and that would permit the gas company to operate only a few hours. As a consequence, companies producing gas are constrained to market what gas they obtain quickly, and to secure leases on territory surrounding producing wells in order to prevent other operators from draining the gas from under their leases.

Where wells are drilled in the same territory it is the tendency of the rock pressure in the respective wells to equalize itself throughout a fairly well operated field, although this result might depend also upon the porosity of the sand. Therefore, as a practical proposition, it is

advisable for a gas company, which is operating in a territory where other companies are conducting operations, to drill enough wells in that territory to get its share of the gas as soon as it can.

Gas possesses the property of limited self-transmission, and it usually leaves the well at a pressure sufficient to transmit itself through pipe lines for some distance. Artificial means are employed by the gas companies in order to create a pressure in the lines sufficient to transmit it to distant points. For this compressing stations are employed.

The pressure of gas in the lines is reduced in direct proportion to the distance which it has traveled. It is, therefore, obvious that a point will be reached in the lines where the pressure is insufficient to carry the gas to consumers. This difficulty is overcome by means of compressing stations. The "compressing stations take the gas out of the low pressure, squeeze it or compress it so that it reaches a considerably higher pressure, and is then discharged into what is styled the main lines, main transporting lines." "Compressing stations" reduce the volume of gas in the chamber of the compressor, so that in accordance with well recognized physical laws the gas is raised to a high pressure by being reduced in volume. Compressing stations are placed at intervals along the lines wherever necessary; that is, wherever such a distance had been traversed that the pressure has become too low for proper or further transmission of the gas.

In general, the systems of the gas producing and distributing companies consist of gathering lines, which are lines leading to the main transportation lines; main

transportation lines, compressor stations; further transportation lines, leading to other compressor stations or to the various communities where gas is supplied by the companies, and the distributing systems in those communities, by which is meant a system of line regulators and curb boxes through which the gas is reduced in pressure and fed directly to the consumer's home or plant.

Compressing stations aid materially in the transmission of gas. It is not possible, however, to estimate just what distance the gas would go without compressing stations. In winter when the demand for gas is very heavy, many shortages are avoided by the use of compressing stations.

They serve more than one purpose. It has been explained that they are used to increase the gas pressure in order to permit its transmission for a greater distance. The stations are also utilized, however, in this way: By the installation and operation of compressing stations the pressure in the line between that station and the mouth of the gas well is reduced. Now, the lower the pressure at the mouth of the well, or in the lines leading from the well, the larger will be the amount of gas discharged from the well, since any discharge from the well must operate against whatever the resisting pressure is at the mouth. If, therefore, the latter is reduced, the result is a greater production of gas from that particular well. The operation of any compressing station affects the gas as to its pressure throughout the entire system. The gas passes back and forth through the pipe line system according to the point of lowest pressure upon the line.

HARRY A. QUAY.

Pages 153-155 :

"Q. Very well, then, using the nomenclature of the trade, the effect is to reduce the pressure in the suction lines, so as to enable the gas from the oil sands to pass up through the gas sands, and pass up to a point where the compressor station will affect that gas, and then compress it in the compressing cylinders, so that when it is discharged into the transmission lines, it has an initial pressure of the amount to which it has been compressed by the compressors, so as to pass through those transmission lines to some other point distant therefrom?

A. That is correct. That is the effect the operation of the station has on the gas."

Compressing stations were first installed some 30 years ago in fields where gas had commenced to decline. The first models of stations have been very much improved.

If two companies are operating in any one gas territory, the installation by one company of compressing stations practically necessitates their installation by the other company, since the first company would be enabled by means of the stations to get more gas, other things being equal, than the company without such stations.

Assuming an initial rock pressure of 100 pounds constantly maintained, an outlet pressure of 25 pounds at which to deliver the gas to a distributing company, a 10-inch pipe line 100 miles in length would deliver in 24 hours 3,144,000 cubic feet of gas,



the same line 25 miles in length with the same pressures as above would deliver in 24 hours 8,640,000 cubic feet of gas.

The stations materially increase the distance through which gas can be transmitted. Without their operation thousands of wells today producing gas in West Virginia would long ago have been abandoned. They "permit the gas to come from the wells and go to market that otherwise would not have gone to market at all." (John B. Corrin—329 and 330).

In no case of which the witness (Mr. Corrin) knew had the Hope or Reserve Companies ever resorted to suctions or to vacuums on their wells. Other companies, however, may have done so. It is possible by means of compressor stations, however, to create a vacuum and to use said vacuum to extract gas from a well at a point below atmospheric pressure. The creation of a vacuum at the mouth of a well is merely the reduction of the pressure at that point below atmospheric pressure, the effect of which is to draw the gas up out of the well. The gas business will eventually arrive at a point where suctions or vacuums will have to be made use of in order to get as much production as possible from the lines. Much gas was wasted during the years 1892 to 1896 which had been discovered in drilling for oil.

#### MARTIN B. DALY.

Pages 579, and 581:

The consumer located nearest to the point of distribution between the high and low pressure gets a better supply of gas than those furthest away. The pressure is

lessened to a certain extent by each one taking out a little gas. It may not be noticeable until you get a considerable distance away, but it is a natural result that the nearer to the distributing point from the high to the low pressure, the greater the pressure to the consumer. If there were adequate pressure to go around, the man getting lower pressure would be served as well as the man getting higher pressure; but if there is a demand and gas is taken out of the wells to the extent that there is not enough left naturally the man farthest away does not get any service. In times of shortage of supply the consumers nearest the wells or source of supply have the better service.

SAMUEL S. WYER.

Pages 865 to 876:

“• • • gas is a fluid composed of a large number of molecules which are vehicles of energy continually in motion, and having an inherent tendency to get farther and farther apart. The range of motion of the molecules is limited only by the volume of the closed containing vessel in which they constantly move to and fro. Every molecule possess the inherent power of energy and is eternally energetic within itself—that is the molecules are in a state of constant bombardment against each other and against the sides of the containing vessel. The most distinguishing characteristic of gas is its universal property of completely filling an enclosed space.”

The term “natural gas” is used to denote a gas that is highly combustible and made by a secret process

of nature. Like water, it always seeks the lowest level; confined gas always tends to expand to lower pressures and this inherent tendency is the basic cause of all gas flow. Invariably gas flows in pipes or underground reservoirs from between openings of higher to openings of lower pressure and invariably this flow is accompanied by a decrease in pressure. The volume of any given mass of gas is inversely proportional to the pressure.

An illustration of one of the fundamental features of natural gas transmission, and one of the fundamental principles on which the whole transmission problem is predicted, is afforded by Pennsylvania Exhibit No. 35, appearing at page 1577, offered at page 867, which is a diagram showing that raising the pressure of a given mass of gas from 4 ounces per square inch to 300 pounds per square inch contracts the volume of that gas from 1,000 cubic feet to 46 cubic feet.

Given the thickness of a gas bed or sand, its degree of porosity, the limits of the gas pool and the rock pressure, a rough estimate might be made as to the amount of gas that is stored under ground. In no way, however, is such estimate to be depended upon as accurate. Furthermore, there is no way of determining accurately the degree of hardness or porosity of the gas sand or rock under any given area.

Fields drilled within 500 or 1,000 feet of each other display great variations in the amount of gas obtainable from each respective well. This is a common phenomenon. The only way of computing the potential productivity of a well is by actually drilling and testing it. The supply of gas produced by any given well is not directly proportionate to the rock pressure. Natural gas is

severed from the soil in two different steps. After the well is drilled the first step is to place what is known as a packer at or near the bottom of the well, and the second step is the delivery of the gas into the well discharge line: Exhibit 36, offered at page 870, appearing at page 1578—diagrams of mechanical devices employed in first severing the gas from the soil, which merely means the puncturing of the gas bearing sand and affording the gas an outlet, and, second, bringing the gas under control by means of gates or valves and affording it a further outlet to the transmission lines of the Company.

See Pennsylvania Exhibit 37, offered at page 871, appearing at page 1579. This diagram shows how natural gas from West Virginia is directly transmitted to the consumer in another State. It shows the transmission of gas from the gas well to the gas measuring station in field; thence to the gas compressing station; thence to the gas cooling basin; thence by the main transmission lines to the gas measuring station at the gates of the various distributing plants where it is measured and then delivered to the medium pressure regulator; thence to the low pressure regulator and into the service line, and thence into the lines of the consumers.

Pennsylvania Exhibit No. 38, offered at page 874, appearing at page 1580, is a diagram showing the action of a natural gas compressor.

Page 876:

“Q. And to bring out—in view of the objection that has been made—the purpose of this distinction [between the terms ‘transmission’ and ‘transportation’

and their respective significations]: if there are being transported over a line of railway a thousand cars of coal, when you take out in the State of West Virginia 100 of those cars, it does not affect the delivery of the other 900 cars, does it?

A. That is correct.

Q. But if you take out of the line through which gas is being transported, out of a thousand feet thus being transported, 100 feet before it leaves the line of the state of West Virginia, what is the effect on the other 900 feet which was being transported through that line?

A. You immediately disturb the pressure conditions, and thereby alter the flow capacity of the line—that is, the diversion of natural gas from a transmission line is not merely a separation of the commodity from the line, but by virtue of that separation, you get an inevitably disturbed pressure condition, which, if the amount of gas diverted is large enough, may annihilate the service at the extreme end of the line to the ultimate consumer.

Q. Even though the amount of gas taken out would not be the entire capacity of the line?

A. That is correct."

Page 908:

"Q. If the gas going from the well into the field to the ultimate consumer ever at rest?

A. It is not."

HARRY A. QUAY.

Page 18.

"\* \* \* Natural gas in our lines is never at rest."

Page 909 :

There is no such thing as the regeneration of natural gas in the sands from which it has once been removed.

Page 910 :

"Q. Has the capacity of the transmission lines through which the gas is at the present time being transmitted for service in other states than West Virginia, been computed and fixed and arranged for the purpose of supplying that service?

A. It has."

Pages 1419 and 1420 :

"A. In most cases the gas in the transmission line always goes in one geographical direction. There are, of course, a number of cases in West Virginia, and more in West Virginia than in all other parts of the United States combined, where there is a reversal of gas flow in the same transmission line; the gas may go in one direction part of the day, and in a diametrically opposite direction during another part of the day, but of course, in one direction only at one time, as contrasted with the constant current of trains going in both directions on railroads."

There is no way of calling into use extra equipment to carry the commodity transported in the case of pipe lines as there is in the case of railroads, where extra trains may be put on to handle heavy traffic or overloads. The variation in the transmission of gas between peak loads and normal loads is on an average of 700 per cent.

In transmission agencies, other than gas lines, such as railroads and traction lines, delays in rendering service are possible and universally practiced. For instance, a railroad can start a train one hour behind its schedule in case of congestion; natural gas service, however, must be instantaneous, for gas needed to cook breakfast cannot be furnished an hour late as the supply would then be useless.

Because of the uncertain life of gas wells, it is practically financially impossible for gas transmission companies to build additional lines to take care of all common carrier gas that might be offered them in view of the large indebtedness that would have to be incurred without any prospect of a fair return.

Another feature which renders a distinction or classification of pipe lines as common carriers unfeasible is the unsurmountable difficulty offered by the great fluctuations from normal to peak load, in that the pressure which can be placed on the gas is limited by the strength of the pipe lines.

Page 1421:

"The market for natural gas is not fixed, but varies largely with the season of the year, time of day. \* \* \*"

It is impossible to forecast what the demand on the gas supplied by the companies by their domestic or industrial consumers will be at any given time.

Leakage in transit must be taken care of.

Natural gas cannot be readily stored.



Page 1422 :

Gas being volatile and invisible cannot be transported or identified or measured in bulk as coal or oil or other commodities, and apparatus for measuring gas in large quantities is expensive to install and operate.

Pennsylvania Exhibit No. 55, offered at Page 1442, appearing at page 1619 (Exhibits Vol. 1) : "Natural gas production, service and conservation. This exhibit embraces on pages 30 to 34 of the discussion heretofore cited.

#### JOHN B. CORRIN.

322—324 :

The South Penn Oil Company was the Pioneer operator in West Virginia for oil. Its primary object in going there was to operate for and produce petroleum, but in its operations they got some dry holes and they got a lot of gas wells. The great problem was what to do with the gas wells. Many of the smaller operators abandoned these gas wells, but the South Penn Oil Company retained them and endeavored to get a market for gas around West Virginia. A company was formed called the Flaggy Meadow Gas Company to take over these gas wells and supply small West Virginia towns with gas, and also to supply the drilling wells and pumping wells. About 1894 the same owners that owned the South Penn and the Flaggy Meadow Companies formed the Mountain State Gas Company to produce natural gas and supply it to some of the river towns like Sistersville and Parkersburg. It was soon found, however, that the gas wells were accumulating so fast, both from the South Penn, Flaggy Meadow and Mountain State companies, that another market had to be sought, and the

Hope Natural Gas Company looked to Ohio and Pennsylvania for a further market. In Harrison and Lewis Counties, which territory the South Penn Oil Company had acquired, there was another heavy operator named T. N. Barnsdall, who had drilled quite a lot of territory for oil and had found gas. This territory of Mr. Barnsdall's was interlocked with the territory of the South Penn Oil Company.

In 1898 the Hope Natural Gas Company was formed, and the territory that the South Penn had held was transferred to the Hope Natural Gas Company. The territory of the Hope Company interlocked with Mr. Barnsdall's territory, and both were supplying gas to quite a number of towns in Ohio. At this time it was decided to join the interests of the Standard Oil Company and the Barnsdall interests in Harrison and Lewis Counties and form the Reserve Company and transport gas to Ohio, so that the Standard Oil Company interests might have a share of gas out of this field that was being transported to Toledo, and the Barnsdall interests might have their share of the gas transported to Ohio. The Barnsdall interests were later transferred to the Union Natural Gas Corporation.

The Connecting Gas Company was formed by the same interests that formed the Reserve Gas Company, and was intended to transport gas from the Ohio River or the division line between the states of Ohio and West Virginia to two points in Ohio, one of which is called Sugar Grove, where the Barnsdall interests or the Union Gas Corporation was to take its gas. The other point was at Wheeler, where the Standard Oil interest was to take its share of gas for transportation to Toledo.

The parties who were at that time interested in

the Northwestern Ohio Natural Gas Company transferred their interest in that company to the people who now own the Ohio Fuel Supply Company. This transfer was made in about 1910 or 1911.

Page 332 to 333:

(Note: The companies referred to below are the South Penn Oil Company, the Flaggy Meadow Company, the Mountain State Company, the Hope Natural Gas Company, the East Ohio Company and the Peoples Gas Company.)

“Q. These companies which you have mentioned were to a considerable extent, were they not, the pioneers that invested millions, and tens and hundreds of millions of dollars, in finding markets for the use of this gas that was being developed at that time in the State of West Virginia?

A. They certainly were the pioneers, there is no question about it; and if it hadn't been for these companies or companies similar to them, with a good backing of capital, why, I don't think that West Virginia would have been advanced to where it is to-day. \* \* \*

CHARLES M. SNAITH.

(Defendant's Witness—Cross Examination).

Page 1260.

The operations in Lewis, Braxton and Gilmer Counties by the early companies or individual operators in West Virginia, even though they resulted in the discovery of gas, were originally commenced for the pur-

pose of oil development, and as a matter of fact it was considered a misfortune when a prospector looking for oil discovered gas instead.

Page 1265.

About 1900, when gas was first found in Lewis County, independent producers flocked to that territory, hoping, however, to discover oil and drilling for it and sometimes finding gas instead although the discovery of gas was not the object of their operations.

Pages 1269, 1270:

Independent producers, drilling for oil and finding gas instead, regarded this as an unfortunate circumstance inasmuch as a market for the gas was not at that time available. This refers to independent operators in West Virginia.

#### PARKE BOWSER.

(Defendant's witness—Cross Examination).

Pages 1331, 1332:

The small independent producers of gas have no pipe line systems of their own, their property having been developed merely by reason of their having drilled test wells for oil and struck gas and then tried to obtain markets for gas. At such times when gas was struck in testing for oil the pipe line companies would afterwards come in and furnish the market for the gas.

Pages 1335, 1336:

The witness is a small producer. His purpose, as well as that of the majority of independent producers,

in taking up leases and going out for the purpose of drilling wells, was to find oil and not gas. However, when gas is discovered, although this is incidental to oil operations, an effort is made by such independent producers to find a market for the gas found. Independent producers do not as a rule set out deliberately for the purpose of obtaining a block of territory for the production of gas alone. As a matter of fact, independent producers were wont to consider discovery of a supply of natural gas as worse than a dry hole because of the trouble of plugging same.

F. C. DEVERICKS.

(Defendants' witness—Cross Examination)

Pages 1351 to 1354:

The South Penn Oil Company and the Southern Oil Company, which was one of Barnsdall's interests, operated originally in Tyler County, Preston County and Doddridge County, West Virginia. They took up a number of leases in that territory which were acquired primarily for the purpose of obtaining oil and not for obtaining gas although the leases covered both subjects. The companies, however, were originally oil development companies, and in those days natural gas was not regarded as a valuable find.

### III.

THE LATER DEVELOPMENT OF THE NATURAL GAS FIELDS OF WEST VIRGINIA WAS MADE BY THE GREAT INTERSTATE TRANSPORTING COMPANIES FOR THE PURPOSE OF OBTAINING GAS TO BE TRANSMITTED TO MARKET IN OTHER STATES, WHICH MARKETS HAD BEEN SOUGHT SO AS TO GIVE VALUE TO THE NATURAL GAS PRODUCED IN WEST VIRGINIA.

HARRY A. QUAY.

Pages 18-20, 20-21:

It was about 1888 that the Manufacturers Company entered West Virginia and began operating there, and this was just a little after the propensities and potentialities of natural gas had been discovered.

At the present time the gas companies are supplying large and small communities located anywhere near their lines with natural gas.

Page 63-67:

The Manufacturers Light & Heat Company, which has been in the natural gas business since 1885, was incorporated under the laws of Pennsylvania, and has been engaged in the production and transportation of gas in West Virginia since 1902. By purchase or merger they secured the Tri-State Gas Company, the Wheeling Natural Gas Company and the Fort Pitt Company, which were operating in West Virginia in the Proctor, Hundred and Sedalia Fields and in certain other fields in Pennsylvania and Ohio.

Page 25:

"Q. Do you know for what purpose these investments were made with reference to the use of gas—as to where it was to be transported and sold—as to the Manufacturers Light and Heat, and as to all of these companies?

A. Speaking for the Manufacturers Light and Heat Company, this money was expended, and the developments made, for the purpose of supplying all of its customers as much gas as it could possibly secure for their use.

Q. And what as to the other companies, if you know?

A. Those that I am familiar with (Hope Company, Philadelphia Company, Ohio Fuel Supply Company, United Natural Gas Company), it was the same condition."

JOHN B. CORRIN.

Pages 210 to 211:

There are no known fields tributary to the cities and towns now being supplied by the large companies with natural gas which are not being developed and occupied by the various gas producing companies. Practically all the big operating companies and many of the smaller have been conducting pioneer development for the purpose of discovering new gas deposits or fields, which development work is known as "wild-catting."



Pages 319-320:

The Connecting Gas Company and the River Gas Company do not purchase any gas in West Virginia but secure all their West Virginia gas from the Hope Company, and, as has been testified to previously, have been organized for the purpose of furnishing the Peoples Gas Company with gas.

Pages 322-323:

The Reserve Company was formed by joining the Barnsdall interests in Harrison and Lewis Counties, and the Standard Oil Company interests, in order to transport gas to Ohio.

Page 325:

The Eastern Ohio Natural Gas Company was organized as a part of the operations of the Hope Natural Gas Company as an outcome of the operations of it and of the South Penn Oil Company in an endeavor by those interests to obtain an outlet for the gas they had secured and expected to secure in West Virginia. The East Ohio Company, supplying Cleveland, Canton, Akron and thirty or forty other cities in Ohio, afforded the market they desired to find for that gas.

Pages 331-332:

At the time of the organization of these companies gas was plentiful in West Virginia and the State did not afford a sufficient market for the gas available. It was necessary to find markets quickly and the organization of the companies above mentioned was for the purpose of seeking new markets in other States.

**Pages 340-341 :**

The South Penn Oil Company, operating in West Virginia, had discovered large supplies of gas and the Flaggy Meadow Gas Company and the Mountain State Gas Company were organized for the purpose of "taking care of" the gas discovered by the South Penn; that is, finding a market for that gas.

**H. A. WALLACE.**

**Pages 390-391 (Cross-examination) :**

Some of the predecessors of the United Fuel Gas Company, that is, some of the companies later taken over by that company, had built lines and conducted their operations for the purpose of supplying gas to consumers in West Virginia before the construction of the line to furnish gas to Cincinnati or to Louisville. The lines and systems of these predecessors were later acquired by the United Fuel Gas Company and made a part of their system.

**JOHN B. TONKIN.**

**Pages 424-427 :**

In 1903 the Hope Natural Gas Company had a surplus of natural gas. The Peoples Natural Gas Company had the market but not the gas, consequently the Standard Oil Co. of N. J. purchased the Peoples Company. Immediately after the purchase the Hope Company started to lay a 16-inch line from Hastings Station up to Brave, Pennsylvania, a 16-inch line from Wilsonburg, Harrison County, West Virginia, also to Brave, Pennsylvania. The People Company at the same time started to build a 20-inch line from Pittsburgh to Brave to get this gas. The line was about 60 miles long.

The Hope Company was originally organized for the purpose of supplying the East Ohio Company with gas. The Standard Oil Company of New Jersey was the parent organization, acting through another subsidiary, the National Transit Company. Lines were built by both the Hope and East Ohio companies from West Virginia to Akron, Ohio, and later, in 1902, a line was built paralleling this line, and continuing through to Cleveland, Ohio. Later on an 18-inch line was built by the Hope Company from Hastings across the river near Clarrington, Ohio, some ten or fifteen miles distant from the original river crossing, and also continued through to Cleveland. Later on a 20-inch line and another 18-inch line were built.

Pages 424-425:

In 1903, when the Standard Oil interests purchased the Peoples Company, the Hope Company had a large surplus of gas and the reason for the purchase was their desire to market this gas in States other than West Virginia. At this time the Peoples Company also had franchises in Pennsylvania and the opportunity to market large quantities of gas there, especially in the vicinity of Pittsburgh. The Hope Company, on the other hand, had a large amount of gas for which it was otherwise unable to find a market.

Pages 614 to 617:

Statement showing acreage, gas wells and gas production in Pennsylvania and West Virginia, the number of producing gas wells, number of wells drilled, number of consumers,—domestic, industrial and other companies,—and the amount of sales,—domestic, industrial and other companies, fuel used in pumping stations, and

pumping and drilling wells, for the years 1910 to 1919, inclusive, of the Peoples Natural Gas Company: The statement for 1918 and 1919 is as follows:

	1918	1919
Operated Acreage—Acres.....	82,277	83,819
"    "    Cost.....	283,773.58	374,382.22
Unoperated Acreage—Acres.....	310,461	302,559
"    "    Cost.....	179,304.29	167,966.53
Gas Produced—M Cu. Ft.....	13,850,362	12,223,833
Gas Purchased (Penna.) M Cu. Ft.....	1,269,314	6,948,119
"    "    (W. Va.) M Cu. Ft.....	18,209,928	6,496,994
No. Producing Gas Wells.....	1,042	1,108
No. Wells Drilled.....	146	130
No. Consumers—Domestic.....	75,697	79,112
"    "    Industrial.....	206	227
"    "    Other Companies.....	5	5
Amt. of Sales, Domestic—M Cu. Ft.....	9,715,074	9,654,042
"    "    Industrial—    "    .....	**18,377,988	12,264,921
"    "    Other Cos.    "    .....	5,236,542	3,749,983

\*\* Includes Gas for Own Operations, as follows:

Fuel Used at Pump Stations, etc.....	1,283,737	574,062
Pumping & Drilling Wells (Est.).....	550,000	250,000
Total Gas for Operations.....	1,833,737	824,062

W. W. FREEMAN.

Page 456:

The investments made by the Columbia Company in West Virginia and by the Cincinnati Gas Transportation Company in laying gas lines was for the express purpose of bringing natural gas from West Virginia to the city of Cincinnati and the surrounding territory.

JUDGE REED.

Pages 487-488:

The first gas company acquired in West Virginia by the Philadelphia Company was the Fairmont and Graf-

ton Gas Company in 1905. The latter is now known as the Pittsburgh and West Virginia Gas Company. The Philadelphia Company also acquired in 1913 the stock of the Monongahela Natural Gas Company, the title actually passing, however, to the Pittsburgh & West Virginia Gas Company. In 1896, about the time of the organization of the Philadelphia Company in West Virginia, that company acquired 6,000 acres of gas in Tyler County, West Virginia, and about 34 miles of pipe line in that County, and 76 miles of pipe line in Green County. About 1900 the Philadelphia Company bought the Union Gas Company of McKeesport.

Pages 521 to 524:

Sometime in 1901 the Philadelphia Company acquired 30,693 acres of leases of productive gases in Lewis and Gilmer Counties, West Virginia. Some insufficiency of gas supply had manifested itself as early as 1891, and Mr. George Westinghouse, President of the Philadelphia Company, was considering the necessity of extending lines of the company southward and of establishing a fuel gas plant. By 1894 Brunot Island had been bought for the purpose of erecting such a plant. The gas business was increasing fast and it was necessary to get more gas. Therefore, subsequent to 1894 the Philadelphia Company gradually extended its own acquisition of other fields and other territory in a southward direction.

Page 486:

At the time the Philadelphia Company commenced operations in West Virginia, the Pennsylvania gas fields were becoming exhausted and insufficient to supply the consumers of the Philadelphia Company in Pennsylvania. The Company proceeded to lay lines in

West Virginia and extended their business into Pennsylvania territory for the purpose of supplying West Virginia gas there.

MARTIN B. DALY.  
(East Ohio Gas Company)

Page 582:

“Q. Now, from your Ohio Exhibit No. 1 give the extent of your company's main lines and connecting lines that were designed and constructed and are being operated for the purpose of transporting and distributing natural gas from the Hope Natural Gas Company in West Virginia.

A. These pipe lines, with the exception of the Imperial line running from Youngstown to the southeast corner of Mahoning County, being an 8-inch pipe, and the pipe line from Ashland County to Barberton, a 12-inch pipe line, were all constructed with a view of bringing gas from West Virginia and distributing and delivering it to the various municipalities. The line known as the Imperial lines was formerly bringing gas into Pennsylvania. That is no longer available. The quantity was very small. A line from Loudonville to Barberton is transporting gas now from our producing fields; otherwise all the pipe lines were constructed with a view of transporting gas from the West Virginia fields.

L. B. DENNING.

Pages 664-665:

The cost of the main lines of the Ohio Fuel Supply Company for the purpose of transporting and distributing West Virginia gas in Ohio is as follows:

"Line E from the Ohio River to Wheeler Station at Sugar Grove; used exclusively for the transportation of gas out of West Virginia, 63.9 miles in length, 18-inch in size, cost \$879,902.96.

Line D from Wheeler Station to Valley Crossing just to connect into the Columbus feed system at Valley Crossing, 12-inch, 33.26 miles long, cost \$280,043.91.

Line F from the junction point on Line E near Chester to Pomeroy, and extending beyond Pomeroy to Gallipolis and into Jackson County, and consisting of part 6-inch and part 4-inch, 61.19 miles long, used in transportation of West Virginia gas exclusively, cost \$226,450.11.

Line A from Columbus to Norwood, known as the Cincinnati 18-inch, which was not built exclusively for the transportation of West Virginia gas, but which we estimate as devoted fifty per cent. of its cost to the transportation of West Virginia gas, being 18-inch in size, 54.30 (?) miles long, cost \$762,177.56. \* \* \*

Page 665:

The Northwestern investment for West Virginia gas represents their entire investment, or \$6,112,730.48.

The Northwestern has some slight production in Northern Ohio, but that is small and limited, and for all general intents and purposes it is correct to say that the entire investment of the Northwestern is devoted to West Virginia gas.



Pages 665-666:

"Q. And originally those main transportation lines from the Sugar Grove Station through the State of Ohio to the Northwestern were laid for the purpose solely of transporting West Virginia gas to the Toledo country?

A. The 18-inch line of the Ohio Fuel Supply Company extending from Wheeler Station southeasterly to the Ohio River, and connecting with the 18-inch line of the United Fuel Gas Company, was laid, built, and the investment made for the express and only purpose of procuring and transporting gas from West Virginia. The line of the Northwestern—its transmission system—was built and laid exclusively and for the sole and only purpose of obtaining gas from West Virginia.

Q. Then, Mr. Denning, the lines which you have just described, giving the cost thereof and the location, with the exceptions you have noted, both as to the Ohio Fuel Supply Company and the Northwestern Ohio Natural Gas Company, were designed, constructed, and are being maintained for the purpose of handling and marketing West Virginia gas?

A. Yes."

Page 712:

"The Cincinnati line was built as a part of the plan, relying on obtaining gas from West Virginia, as I said this morning."

Pages 683 to 685:

The Ohio Fuel Supply Company, organized in 1902, was substantially a consolidation of a number of smaller

companies operating in Southern Ohio, including the Mt. Vernon Natural Gas Company, the United Gas Company, the Corning Natural Gas Company, the Roseville and Crooksville Gas Company, the Bremen and Rushville Gas Company and the Great Southern Gas and Oil Company, all of which had been producing and distributing natural gas. After being taken over, the smaller companies were all consolidated into one service, and the Ohio Fuel Supply Company proceeded to extend its lines. About 1903 or 1904, the Ohio Company bought the Federal Gas and Supply Company in Columbus with its fields in the Sugar Grove district and with a 12-inch line extending from Sugar Grove up to Columbus. In 1907 an 18-inch line was constructed from Columbus to Norwood. In 1909 an 18-inch line was constructed from Sugar Grove to the Ohio River to connect with the line of the United Fuel Gas Company bringing gas from West Virginia.

The Ohio Fuel Supply Company originally constructed the entire line into West Virginia and into the West Virginia field and afterwards sold it to the United Fuel Gas Company. In 1910 the Ohio Fuel Supply Company acquired the Ohio Southern Gas Company, embracing the territory or towns in Jackson and Vinton Counties. In 1917 the company bought the property of the Central Contract and Finance Company, which embraced acreage and producing wells in Vinton County, Ohio, and a pipe line extending from Sugar Grove to Sidney. The Company first received gas from West Virginia when the 18-inch line was completed in 1909.

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EUGENE P. WHITCOMB.

Pages 781-782:

“Q. Now, Mr. Whitcomb, to what extent has your companies lines been designed and constructed and being maintained for the purpose of receiving and marketing West Virginia gas?

A. The constructing of a 16-inch line north from Sugar Grove, connecting with the intake of Bangs Compressing Station in Knox County, Ohio, was laid exclusively for the transportation of gas to our Central and Northern Divisions. The construction of the 18-inch Sugar Grove-Dayton line, a distance of about 84½ miles to the City of Dayton, with an extension of about 78 miles of 16-inch line to the City of Muncie, Indiana, together with its branch line connections to cities and towns in the State of Ohio and State of Indiana, principally the City of Dayton in Montgomery County, Ohio; the City of Anderson in Madison County, Indiana; New Castle in Henry County, Richmond in Wayne County, Indiana, and Greenville in Darke County, Indiana, was laid particularly for that purpose and for no other.

## LOGAN NATURAL GAS &amp; FUEL COMPANY AND AFFILIATED OHIO GAS COMPANIES.

SUMMARY OF INVESTMENT FOR DELIVERY OF GAS FROM WEST VIRGINIA.  
Pipe Lines of Towns of Other Companies:

Line No.	From	To	Physical Property.	Overhead Charges.	Cost of Attaching Business	Total
E	Sugar Grove.	Muncie, Indiana.	\$1,996,783.89	\$439,292.44	\$243,607.63	\$2,679,683.96
E-7.	Line E South.	Dayton.	22,524.66	4,955.43	2,748.01	30,228.10
E-8.	"	"	19,404.91	4,269.08	2,367.40	26,041.39
E-9.	"	Richmond.	93,885.11	20,654.73	11,453.98	125,998.82
E-10.	"	New Castle.	82,752.99	18,203.65	10,095.87	111,054.51
E-11.	"	Anderson.	137,354.13	30,217.92	16,757.21	184,329.26
E-12.	"	"	12,043.61	2,649.50	1,469.32	16,162.52
E-13.	"	Fairmont.	192,202.37	42,284.52	23,448.69	257,935.58
E-14.	"	North of Fairmont.	17,699.20	3,893.82	2,159.30	23,752.32
E-17.	"	Ohio Fuel Company	172.43	39.47	21.89	240.79
E-18.	"	Private Line.	69.79	15.35	8.51	93.65
E-5.	"	Mt. Sterling, Ohio.	14,962.54	3,291.76	1,825.43	20,079.73
E-19.	Sugar Grove Sta.	Line E.	991.88	218.22	121.01	1,331.11
E-20.	"	"	991.89	218.22	121.01	1,331.12
Total.			\$2,591,846.40	\$570,206.20	\$316,205.26	\$3,478,257.86

### 1727—Pipe Lines to Own Towns:

Line No.	From	To	Physical Property.	Overhead Charges.	Cost of Attaching Business	Total
E-2.	Line E.	Amanda, Ohio.	47.64	10.48	5.81	63.93
E-4.	"	Ashville.	4,391.96	966.23	535.82	5,894.01
E-3.	"	Circleville, Ohio.	51,708.16	11,375.80	6,308.40	69,392.36
C	Sugar Grove.	Chillicothe.	238,828.31	52,542.23	29,137.05	320,507.59
C-2.	Line C.	Logan.	52,857.14	11,028.57	6,448.57	70,334.28
C-3.	"	Rockbridge.	548.97	120.77	66.97	736.71
C-4.	"	Laurelville.	1,037.25	228.20	126.55	1,392.00
C-5.	"	Adelphia.	748.95	164.77	91.37	1,005.09
C-6.	"	Kingston.	12,233.80	2,691.44	1,492.52	16,417.76
C-7.	"	Hallsville.	30.07	6.62	3.67	40.36
C-8.	"	Logan Regulator.	28.15	6.18	3.43	37.76
M	Gloucester.	Beaumont.	62,245.72	13,694.06	7,593.98	83,533.76
M-2.	Line M.	Athens.	3,827.82	842.12	466.99	5,136.93
M-3	"	Chauncey.	74.21	16.33	9.06	99.60
A	Sugar Grove.	Newark Connection.	339,474.41	74,084.37	41,415.88	455,574.66
A-4.	A-6.	Newark, Ohio.	5,813.19	1,278.90	709.21	7,801.30
A-5.	"	"	5,215.00	1,147.30	636.23	6,998.53
A-6.	Line A Toward.	Newark.	33,986.61	7,477.05	4,146.37	45,610.03
Total			\$813,097.36	\$178,881.42	\$99,197.88	\$1,091,176.66
Sugar Grove Compressing Station.			\$549,071.00	\$120,795.62	\$66,986.66	736,853.28

Tabulated between pages 784-785.

Page 769:

**"THE LOGAN NATURAL GAS & FUEL COMPANY.  
OHIO AND INDIANA.**

**TRANSMISSION SYSTEM PIPE LINES.**

4	inch	71.70	miles
5 <sup>3</sup> / <sub>16</sub>	"	8.13	"
5 <sup>5</sup> / <sub>8</sub>	"	1.38	"
6	"	109.05	"
6 <sup>5</sup> / <sub>8</sub>	"	2.57	"
8	"	158.61	"
10	"	148.87	"
12	"	130.41	"
16	"	161.76	"
18	"	84.37	"
Total Transmission Pipe Lines		876.82	"

**J. W. McMAHON.**

Page 719:

"Q. Tell its starting history. (of the Northwestern Ohio Natural Gas Company) ?

A. At that time they produced the gas from northwestern Ohio. They acquired thousands of acres of land in fee and by lease throughout the counties of Wood, Hancock, Seneca and the northwestern counties of Ohio. They drilled thousands of wells and piped the cities and supplied natural gas to the consumers. About 1900, 12 years after they began exploiting for gas, the gas supply of northwestern Ohio was becoming exhausted. The gas was found in the Trenton rock field only in northwestern Ohio and the oil was also found in that same formation, and in drilling for oil, which was the most valuable commodity at that time, they drilled so many thousands of

wells that the gas was permitted to escape and did escape into the air. It created a back pressure upon the oil wells and they let it out. Efforts were made at that time by the passage of laws by the legislature of this State to prohibit the wastage of gas, but those efforts did not seem to prolong the life of the gas field a great deal, and it began to become exhausted very rapidly. At that time the City of Toledo was engaged in the natural gas business as a municipality. They bonded themselves I think for \$1,500,000.00, which bonds are still outstanding and not paid, and went into the natural gas business. I believe the city of Fremont did the same, as well as Findlay,—the northwestern cities. But almost before the City of Toledo got to producing gas the field from which they expected to draw was about exhausted, and they went out of business; sold their lines practically for junk, I believe, and discontinued. The Northwestern Ohio Natural Gas Company then had two lines, one a ten-inch line and one a twelve-inch line running from the City of Toledo south to the then known gas fields of Ohio.

Q. In the counties which you have already named?

A. Yes, sir. They were confronted with a possibility of losing their entire investment, or getting gas elsewhere. They then entered into a contract with The Hope Natural Gas Company, whereby they were to lay a line or lines south from Tonkin Station, which was 38 miles from Toledo, to a point known as Sugar Grove, in Fairfield County, Ohio, where they were to connect with or receive gas from The Hope Natural Gas Company, which company, in turn, was to procure that gas from West Virginia."



Page 724:

"Q. And is it a fact that your company's lines extending southward from Tonkin Compressing Station to the Wheeler Compressing Station, a distance of A 160 miles, and being two in number were designed, constructed and have been operated exclusively for the purpose of conveying natural gas to the consumers of the company whom you have described?

A. Yes."

G. F. BATCHELOR.

Of the Natural Gas Company of West Virginia.

Page 744:

"As of December 31, 1919, the company held in Greene County, Pennsylvania, 9,042 acres of operated leases, 5,700 unoperated, total of 14,732 acres; in Washington County, Pennsylvania, 4,172 operated, 19,373 unoperated, total of 23,545; in Belmont County, Ohio, 7,296 operated, 20,279 unoperated, total of 27,575; Monroe County, Ohio, 105 operated, 32 unoperated, total 137 acres; in Marshall County, West Virginia, none operated, unoperated 12,146; in Ohio County, West Virginia, none operated, unoperated 130, making a total acreage in all the places of 20,615 operated, 57,660 unoperated, total of 78,275 acres."

J. K. ANDERSON.

Page 814:

Pennsylvania Exhibit No. 27 offered at page 814, and shown in Book of Exhibits at page 1566:

"Gas leases controlled by natural gas companies in West Virginia for the year ending December 31, 1919."

Wells owned Dec. 31, 1919, in West Va.....	8138
Wells in use Dec. 31, 1919, in West Va.....	3066
Unoperated acreage in West Virginia.....	2,017,388
Operated acreage     "     "     ".....	708,602
Total unoperated and operated acreage in West Va.	2,175,606

Page 822 :

Pennsylvania Exhibit No. 31, offered at page 822, and shown in Book of Exhibits at page 1568 :

"Statement showing relation of operated and unoperated leaseholds of large interstate natural gas companies and small local intrastate gas companies doing business in the State of West Virginia, based upon reports to the Board of Public Works for the calendar year ending December 31, 1919:"

	Unoperated Acreage	Operated Acreage	Total	Unoper- ated	Oper- ated
7 large companies	2,169,310	784,810	2,954,120	73.43%	26.57%
20 small intrastate gas companies	10,317	17,302	27,619	37.35%	62.65%

S. S. WYER.

Page 877 :

The Fayette County Gas Company connects with the Hope Natural Gas Company, and receives from the Hope Natural Gas Company at the Wade Measuring Station gas which is here taken into Pennsylvania.

Page 969 :

"The enforcement of the Act would place a premium on improvident operation, because the ones that would most directly be benefited are the ones that would in

the past not have made provision for the future in the way of carrying reserve acreage or reserve lines or looking for reserve feeders for the future, but have built only for the immediate present, and the enforcement of the Act would require those who have gone into West Virginia on the faith that their property rights would not be disturbed, and have invested large sums, first in the acquisition and second in the carrying of large amounts of reserve territory for future operation to surrender such territory secured originally for interstate purposes solely to intrastate use."

Page 908 :

"Q. Have the compressing stations that have been constructed for the South of West Virginia on these various transmission lines been constructed for the purpose of transmitting gas in the State of West Virginia on through these interstate transmission lines?

A. Most compressing stations built in West Virginia have been built for the purpose of transmitting natural gas through the interstate transmission lines to other states."

Page 910 :

"Q. Has the capacity of the transmission lines through which the gas is at the present time being transmitted for service in states other than West Virginia been computed and taxed and arranged for the purpose of supplying that service?

A. It has."

H. E. NEASE—DEFENDANT'S WITNESS.

Page 1003:

STATEMENT SHOWING ACREAGE HELD IN  
WEST VIRGINIA BY SEVEN COMPANIES  
DECEMBER 31, 1919.

	Undeveloped.	Developed.	Total
Hope Natural Gas Company.....	690,094	338,776	1,028,870
Pittsburgh and West Virginia Gas Company.....	209,128	108,198	317,326
United Fuel Gas Company.....	653,699	62,337	716,036
Reserve Gas Company.....	4,664	51,556	56,220
Carnegie Natural Gas Company.....	33,921	43,171	77,092
Columbia Gas and Electric Company.....	180,933	28,737	209,670
Manufacturers Light and Heat Company.....	94,281	56,530	150,811
Totals (seven companies).....	1,866,720	689,305	2,556,025
Grand total.....	1,986,614	739,184	2,725,798
Percentage of grand total held by seven companies.....	93.9%	93.2%	93.8%

See West Virginia Ex. No. 17, showing corresponding figures for years 1910-1919 inclusive, offered p 998, appearing Folios 390-400. Exhibits 17A to 17K inclusive, offered p 998, appearing Folios 390-400, consist of reports showing the figures separated for the seven companies.

Pages 1176 to 1188 et seq., show statements of holdings of acreage of leases and number of wells in the individual companies above named in the different counties.

EDWIN ROBINSON.

Page 1391:

Pennsylvania Exhibit No. 54, offered at page 1391, in Book of Exhibits at page 1608.

Statement showing approximate acreage held by certain companies and individuals operating for oil and gas in West Virginia at approximately the present time.

Developed	Undeveloped	Total
524,007	1,416,659	1,940,666

General summary of acreage held by operators in West Virginia as compared with testimony of Mr. Nease, and testified by Nease as held by 7 companies:

	Developed	Undeveloped	Total
Held by 7 large companies	689,305	1,866,720	2,556,025
Ascertained as held by other operators	524,007	1,416,659	1,940,666
Estimated held by operators not included in above	100,000	3,300,000	400,000
	1,313,312	3,583,379	4,896,691
Percentage held by operators than the 7 companies without the estimate of those unascertained.	43.2%	43.1%	43.2%
Percentage with the estimate of those unascertained	47.5%	47.9%	47.9%

#### IV.

THE AMOUNT OF THE INVESTMENT OF THE COMPANIES PRODUCING GAS IN WEST VIRGINIA AND TRANSPORTING IT TO OTHER STATES IN OBTAINING AND CARRYING LEASES, DRILLING WELLS AND LAYING PIPE LINES, &c.

HARRY A. QUAY.

**Pages 5-6 :**

The Manufacturers Light & Heat Company has about 147,000 acres of gas territory under lease and about 457 gas wells in West Virginia.

**Pages 24-25 :**

The Manufacturers Light & Heat Company has expended some thirty millions of dollars or more on various operations in West Virginia, these operations including the taking of territory, making leases, drilling wells, laying lines, building compressing stations, and so on. The investments of the other large companies in West Virginia must have run into tens of millions of dollars.

**Pages 81 to 83 :**

In the year 1919, the Manufacturers Company was operating 461 wells and 48,155 acres in West Virginia, and had under lease 94,280 unoperated acres, having increased to that extent from 278 wells in 1910 and 33,918 acres operated and 60,704 acres unoperated in 1913 in the same State.

**T. O. SULLIVAN.**

**Pages 184-185:**

The Hope Natural Gas Company held under lease in West Virginia in 1919 about 1,010,000 acres of land, including operated and unoperated acreage, and 3440 producing gas wells. The operated acreage amounted to 322,777 acres.

**Pages 206-207:**

The Hope Natural Gas Company has invested an amount exceeding \$100,000,000.00 in the gas business in West Virginia. This includes the acquisition of land, drilling of wells, laying of pipe lines, royalties, pumping stations, compressing stations, etc. The investment in capital concrete property used in the construction of the plant, which included wells, acreage, pipe lines, compressor stations, and other paraphernalia and appliances connected with the business, was estimated at approximately \$37,000,000.

**Pages 232-233:**

In 1910 the Hope Natural Gas Company held under lease 151,838 operated acres, 842,987 unoperated acres, total 994,825 acres, and 1,326 gas wells. By 1919 this had increased to 322,777 acres operated, 687,155 acres unoperated, total 1,009,933 acres under lease, and 3,440 gas wells.

**Pages 248-249:**

Compressing stations are costly affairs, one 5,000 H. P. station costing about \$750,000. One of the Hope Company stations—the Hastings Station—must have cost several millions of dollars.



**Pages 268-275:**

In the course of its operations the Hope Company acquired by purchase, by buying the stock, or by other methods, the Mountain State Gas Company, the Rural Gas Company, the Berea Light, Heat and Power Company, and the Mt. Clair Gas Company.

**JOHN B. CORRIN.**

**Page 324:**

The present investment of the Reserve Gas Company in West Virginia is about \$7,000,000.00.

**Pages 335-336:**

The Reserve Gas Company has in West Virginia 56,000 acres of land. Of this acreage, 4,000 acres is unoccupied territory. The Hope Company has about 1,100,000 acres, and of this about 700,000 acres is unoperated. The oil and gas companies operating in West Virginia have paid at least sixty million to seventy-five million dollars in rental money in the last twenty years.

**Pages 356 to 358:**

The large gas companies, not including those affiliated with the Standard Oil Company of New Jersey, have invested over \$100,000,000 in West Virginia in rentals alone, among them the Philadelphia Company, the Carnegie Natural Gas Company, the United Fuel Gas Company, the Manufacturers Light and Heat Company, the West Virginia Central Company, and the Fayette County Gas Company.

H. A. WALLACE.

Pages 359 to 361:

The United Fuel Gas Company invested about \$1,000,000 in West Virginia up to 1909 without receiving any revenue therefrom up to that time. The total acreage of the United Fuel Gas Company in West Virginia is 806,785 acres. The Company has 626 gas wells in West Virginia.

Pages 367-368:

By the end of 1909 the United Fuel Gas Company had invested between 23 and 24 million dollars in actual cash in West Virginia. The valuation of the property owned by the company in West Virginia, as shown on the books of the company, is about \$50,000,000.00.

Pages 373-374:

The United Fuel Gas Company expends annually in the laying of lines, drilling of wells, maintaining and building compressor stations, and in general to maintain gas lines, from two to three million dollars. This sum will increase as the fields get older.

JOHN B. TONKIN.

Page 425:

The Peoples Natural Gas Company, which was later acquired by the Standard Oil Co of N. J., had expended about \$1,800,000 in laying pipe lines. A pipe line built by the Hope Company to Wilsonburg cost about \$1,500,000.

Page 427:

The total investment of the Peoples Natural Gas Company, as of December 31, 1919, was \$16,442,234.71, representing money sunk in main lines, field lines and city plants. Of this about 600,000 had been invested in gasoline plants and oil wells. The capital stock of the Peoples Natural Gas Company was \$11,000,000.

W. W. FREEMAN.

Page 455:

The investment of the Columbia Gas and Electric Company, as of December 31, 1919, in wells, territory, pipe lines, compressor stations, etc. was at least \$11,000,000. The company owned, as of the same date, 253 gas wells, 29,000 acres operated, 221,000 acres unoperated.

Page 456:

The investment of the Cincinnati Gas Transportation Company in West Virginia in similar property was approximately two and one-quarter million dollars. The entire investment of the company all the way through to Cincinnati was about seven and one-quarter million dollars.

Pages 463 to 465 to 472 (Cross-examination):

In 1915 the Columbia Gas and Electric Company had under lease 19,424 acres operated, 216,357 acres unoperated. By 1919 these figures had increased to 28,737 acres operated and 180,932 acres unoperated. All figures are for acreage leased in West Virginia. The figure of \$11,000,000 previously testified to as representing the investment of the Columbia Gas and Electric Company in West Virginia represents both money invested and

the actual valuation of the Company's property. Valuations of \$200 per acre have been put on the operated acreage and \$10 per acre on the unoperated acreage. The investment had been ascertained upon a basis of replacement cost as of September 1917.

JAMES H. REED.

Pages 488 to 490:

The Philadelphia Company was running 13 compressing stations in West Virginia and 10 in Pennsylvania. The Company had expended something over \$20,000,000 in West Virginia since the beginning of their operations there for leases, rentals, payrolls and taxes, and an equal sum for improvements.

In 1910 the Company had under lease in West Virginia acres operated 47,240; acres unoperated 424,355; total 471,596. By 1919 acreage unoperated had decreased to 209,127; acreage operated had increased as steadily to 108,198; total 317,326.

Gas Wells. In 1911 the Company had 487 gas wells in West Virginia. This number had increased to 1238 in March 1919.

Pages 504 to 505:

The total investment of the Philadelphia Company including that of the Equitable Gas Company, the Allegheny Heating Company, the Monongahela Natural Gas Company, the Pittsburgh and West Virginia Gas Company, the Philadelphia Company of West Virginia, and the Philadelphia Oil Company in Pennsylvania and West Virginia, was \$45,000,000 according to the balance sheet for the year ending December 31, 1919. If the

amounts expended upon extensions were included the total would be around \$60,000,000.

Page 522:

The Philadelphia Company had acquired from March 31, 1900 to March 31, 1901 over 30,000 acres of leases of productive territory in Lewis and Gilmore counties, West Virginia.

J. E. ANGLE.

Pages 536-537:

The investment of the Fayette County Gas Company in its transporting and distributing systems and field operations, as of December 31, 1919, was \$1,567,449.15.

MARTIN B. DALY.

Pages 581-582:

The East Ohio Gas Company has in its main transportation system approximately 860 miles of pipe line. This does not include the gathering lines in the fields. In the towns and cities, for the distributing systems said company has approximately 3,000 miles, making a total of 3800 (3860) miles. This does not include anything below 2 inches, and if the smaller pipe were added it probably would increase that mileage by 300 miles.

Page 584:

The physical valuation of the plant of the East Ohio Gas Company is approximately \$47,000,000. This does not include good will, franchise value or govern-

ment bonds,—includes nothing but physical property. The present capital stock outstanding is about \$38,000,000.

Page 603 (Cross-examination) :

Stock in the form of stock dividends has been issued to the amount of \$4,500,000.

“The Peoples Natural Gas Company.

STATEMENT SHOWING AMOUNT OF INVEST-  
MENT JAN 31st, 1903, to DEC. 31st, 1919.

January 31, 1903	2,866,168.37
December 31, 1903	3,356,291.66
“ “ 1904	5,542,687.20
“ “ 1905	5,720,388.09
“ “ 1906	5,840,844.73
“ “ 1907	6,166,291.77
“ “ 1908	6,926,445.78
“ “ 1909	7,711,793.13
“ “ 1910	8,895,543.06
“ “ 1911	9,055,152.74
“ “ 1912	9,713,904.90
“ “ 1913	10,736,887.28
“ “ 1914	11,855,830.50
“ “ 1915	12,324,018.03
“ “ 1916	13,409,435.93
“ “ 1917	14,207,497.76
“ “ 1918	14,955,003.89
“ “ 1919	16,442,234.71

L. B. DENNING.

Page 664:

The Ohio Fuel Supply Company has invested approximately \$3,505,526.82 in its various lines and transmission systems for the purpose of transporting West Virginia gas to consumers in Ohio.

Page 707:

The original capital investment, or at least the approximate amount thereof, of the Ohio Fuel Supply Company is, as of May, 1920, for physical properties, \$24,588,676.99; material in stock, \$1,159,729.92. A total would approximately be \$28,284,696.00. The figure of \$24,588,676.99, as given above, represents simply the cost value of the actual physical property, main lines, transmission lines and distributing property, but said company is interested in other properties through stock ownership which would increase the total valuation of their property to about \$34,574,960.99.

J. W. McMAHON.

Page 726:

The capital stock of the Northwestern Ohio Natural Gas Company is \$2,750,000.00, and there has been invested as capital account in the construction, extending and building up of the property of said company to its present state, between six and a half and seven million dollars. The present value would be greater than the amount here stated.

Page 737 (Cross-examination):

The six million dollars above stated covers physical



property. In addition to this, the said company carries a surplus of less than a million dollars.

### EUGENE P. WHITCOMB.

Page 750:

The capitalization of the Union Natural Gas Corporation on May 24, 1902, was \$6,000,000. In September, 1902 this was increased to \$8,000,000; in June, 1903, this was increased to \$9,000,000; and in March, 1913, to \$10,000,000, which is the authorized capitalization at the present time. Said corporation has authorized bonds in the amount of \$6,000,000. The amount in the treasury at the present time is \$1,422,000; cancelled, \$178,000; redeemed, \$2,822,000, and outstanding as of this date, \$1,578,000.

#### "Production System Pipe Lines

4	inch.....	148.94 miles
4 <sup>3</sup> / <sub>4</sub>	".....	.80 "
4 <sup>7</sup> / <sub>8</sub>	".....	.17 "
5 <sup>3</sup> / <sub>16</sub>	".....	10.65 "
5 <sup>5</sup> / <sub>8</sub>	".....	.61 "
6	".....	121.97 "
6 <sup>5</sup> / <sub>8</sub>	".....	18.52 "
8	".....	95.54 "
10	".....	38.19 "
12	".....	64.22 "
16	".....	27.62 "
Total Production System Pipe Lines.....		527.23 "

### Gas Well Data

Year	Productive gas wells drilled & purchased	Unpro- ductive wells drilled	Total wells drilled & purchased	Gas wells abandoned and sold	Total gas wells as of Dec. 31
1910	59	38	97	40	501
1911	64	22	97	70	495
1912	86	27	113	33	548
1913	92	28	120	42	598
1914	74	27	101	53	619
1915	119	27	146	37	701
1916	73	22	75	49	725
1917	100	45	145	79	746
1918	109	36	145	76	779
1919	54	46	100	76	757"

Page 775:

"A. The investment in stock of Reserve Gas Company and Connecting Gas Company by Union Natural Gas Corporation during the period from December 31, 1902, to December 31, 1914, both years inclusive, amounted to \$3,650,000, of which amount \$1,250,000 was paid in cash for stock of Reserve Gas Company and 15,000 shares of the par value of \$100 per share of the stock of the Union Natural Gas Corporation."

Page 785:

"Q. Can you give us an estimate, or the exact value, of your investments made by reason of the fact that you have received and are receiving West Virginia gas?"

A. The total investment in pipe lines to towns of other companies is \$3,478,250.86; in the pipe lines to our own towns—or, rather, the towns in which we own the distributing plants \$1,091,176.66; in the Sugar

Grove Compressing Station, \$736,853.28; and in our distributing plants which are distributing West Virginia gas, \$1,214,966.28; or a total of \$6,521,254.08."

H. E. NEASE—DEFENDANT'S WITNESS.

Pages 1051 to 1053:

The Ohio Fuel Company and the South Penn Oil Company produce considerable gas which is sold to other companies, but on the list of natural gas utilities operating within State of West Virginia as of December 31, 1919, these companies have not been included because they are not required to make reports to the Board of Public Works. The same applies also to the Owens Bottle Machine Company.

Note: The total of the foregoing investments as shown by the testimony of the witnesses exceeds \$350,000,000. Of this amount the same testimony shows over a half or about \$200,000,000 is invested in West Virginia.

V.

THE EXPORTATION OF NATURAL GAS FROM WEST VIRGINIA TO OTHER STATES AS CARRIED ON BY THE GAS COMPANIES OPERATING IN THAT STATE, SHOWING THE LINES OF TRANSMISSION, THE MOVEMENT OF GAS THROUGH THE LINES AND THE OPERATION INTERSTATE AND AS ONE SYSTEM OR UNIT.

HARRY A. QUAY.

Pages 71, 70, 74; 87 and 88; 103 to 106; 111 to 114; and 155 to 157; The Manufacturers Light & Heat Company.

T. O. SULLIVAN.

Pages 187; 189 to 193; 254 to 257; 260 and 261 and 308 to 312; Hope Natural Gas Company.

JOHN B. CORRIN.

Pages 317 to 319, and 341 to 343; Reserve Natural Gas Company.

H. A. WALLACE.

Pages 385, and 409 to 410; United Fuel Gas Company.

W. W. FREEMAN.

Pages 455 and 456; Union Gas & Electric Company.

JAMES H. REED.

Page 530; Philadelphia Company .

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HARRY A. QUAY.

Pennsylvania Exhibit No 1, offered at page 30, appearing at page 1493, replaced by Pennsylvania No. 39-E, offered at page 876 (Wyer), appearing at page 1585.

This is a map showing the main lines of The Manufacturers Light & Heat Company in Ohio, Pennsylvania and West Virginia. Testimony on page 30 gives the size of the various lines, which run from 6 to 20 inches. The map shows the pipe lines crossing the boundaries between Ohio, Pennsylvania and West Virginia over forty times.

Pages 16 to 18:

The Hope Company delivers gas to the Manufacturers Company at the Sedalia station in Doddridge County, West Virginia in large amounts. Gas from the well of the Manufacturers Company itself is delivered to the same station. The gases commingle and enter the compressor, where they are discharged and enter the same main line or distributing system leading to the various communities served. The same situation exists in the station at Wetzel County, West Virginia and at the Porter Falls station. All these gases with the exception of the Porter Falls gas, join and meet and enter the main discharge line of the Manufacturers Company at or near Ludenville, Marshall County, West Virginia. The gas leaves the Hundred station, passes through the balance of Wetzel County, enters and crosses the Pennsylvania State Line at Greene County, Pennsylvania, passes out of the State of Pennsylvania and again enters the State of West Virginia, and meets with the line coming from the Sedalia station at Ludenville.

The gas from the two stations commingle, then pass northeast through Marshall County, West Virginia, and again cross the state line.

Pages 15 to 16:

The distance from the most southern point of the pipe lines of the Manufacturers Light and Heat Company to the most northern point is approximately 168 miles. The most southern point is Sedalia Station, Doddridge County, West Virginia, and the most northern is in Mercer County, Pennsylvania. The Manufacturers Company receives gas which it either purchases or produces in West Virginia, into its own transmission or main lines in West Virginia and transports that gas from West Virginia into Pennsylvania.

The Manufacturers Company "produces gas in the three states (Pennsylvania, Ohio and West Virginia) in which it operates, buys gas in the three states in which it operates, transports and sells gas in the three states in which it operates."

"Q. Without the intervention of any other Company?"

A. Yes, sir."

In general, gas in the lines of the Company crosses and recrosses both the West Virginia-Pennsylvania and the West Virginia-Ohio State Lines.

Page 114:

There are other companies whose pipe lines cross and recross the Pennsylvania West Virginia State Line, although this condition does not exist to the extent of a single pipe line system crossing and recrossing a state

line 43 times, as is the case with the system of the Manufacturers Company.

Page 131 :

The upper end of West Virginia, principally the towns of Chester and Newell, are supplied with gas from lines leaving the State of Pennsylvania and re entering the State of West Virginia, and from lines coming from Ohio and entering the State of West Virginia.

Pages 146-147 :

Among the companies whose lines cross and recross the state line of Pennsylvania and West Virginia are the Equitable Gas Company, the Carnegie Natural Gas Company, the United Fuel Gas Company. These companies sell gas to the States of Pennsylvania, West Virginia and Ohio, and West Virginia and Pennsylvania, respectively.

Pages 105 and 106 :

As a general rule, once gas is discharged from the various compressing stations of the Manufacturers Company, it is impossible to tell where that gas is going; that is, any particular volume or mass of gas starting out from the compressing station might reach any of a number of destinations in widely divergent places.

Pages 109 and 110 :

Although by making a direct manipulation it might be possible to send gas for instance from one of the Company's lines to feed consumers in the town of Chester, West Virginia, it still is by no means the invariable rule that such gas starting from the same point does go to that town.



Page 155:

“Q. Are the lines connecting your system of gas transportation to these respective compressing stations (in Doddridge County, Wetzel County and Marshall County, West Virginia, and Greene County and Washington County, Pennsylvania,) all connected into one system?

A. They are all connected together.

Q. And when these compressing stations are in operation, what is the effect thereof on the entire system, with reference to the influence of each of these stations?

A. The gas is permitted to discharge from the various compressing stations, enters the main lines at that point, and goes to whatever source it moves to.

Q. Do these compressor stations, when in operation, therefore, all of them, affect the gas in the entire system?

A. Any station operating, or not operating, would have its influence on the general system.

Q. The gas throughout the system, if I understand you correctly, passes back and forth according to the point of lowest pressure upon the line?

A. Yes, sir.

Q. And is influenced by the operation of any one or all of these stations?

A. As stated, any station operating or not operating would affect the flow of the gas.”

Pages 49 and 50:

“Q. Mr. Quay, are your main transmission lines, or practically all of your transmission lines from West Virginia, connected onto the general transmission system of the company that runs into Pennsylvania, or are they separate main lines which have no connection one with the other?

A. They are connected one with the other.

Q. So as to constitute one general transmission system?

A. One large general system.

Q. What effect would the removal of gas from any portion of that system in West Virginia have upon the transmission of the gas into Pennsylvania? In other words, would it affect it?

A. It would.

Q. Would you be able to tell, or could you tell in any way, or have you any devices upon the lines by which you could tell as to where the effect would be most appreciable in Pennsylvania, if thus removed in West Virginia?

A. If I get the question right,—in fact, I don't get it right.

Q. Well, I will put it in a different form then: Is there any means of ascertaining, where any portion of gas is removed from the system in West Virginia, where it will have its greatest effect in Pennsylvania.

7

7

A. There is.

Q. Just tell us about that.

A. To remove,—I presume you mean if taken out and transported to other points in the lines in West Virginia, where it would have its effect in Pennsylvania?

Q. Where, yes,—where it would have its effect in Pennsylvania.

A. It would have its effect in all the lines in Pennsylvania, more particularly at the extreme end.

Q. And the extent of that effect, I presume, naturally would depend upon the quantity thus taken out?

A. It would.

Q. And if a large enough quantity was taken out,—that is, a large quantity, was taken out, could you then tell—and if so, how—where it would have its effect in Pennsylvania?

A. If a large quantity of gas is taken, of course it creates shortages in certain portions of the system, depending entirely upon the quantity taken out.

Q. And where, what points in the system would it chiefly affect—I mean, in Pennsylvania?

A. The farthest point away from the source of supply."

Page 99 :

“ \* \* \* Ordinarily on our system the gas all comes in together and goes wherever it pleases, unless the line breaks or a compressing station is flooded out, or some break in the line which necessitates the handling of the gas in a different manner.”

T. O. SULLIVAN.

Pages 204-205, 297-298 :

Gas produced in West Virginia and sent through the lines of the producing company, to-wit, the Hope Natural Gas Company crosses the State line of Pennsylvania and crosses back into West Virginia, simply following the direction which the pipe lines themselves take. Also gas furnished the Hope Company by the River Gas Company, which gas is produced in Ohio, is fed into the lines of the Hope Company, crosses the State line from Ohio into West Virginia and is commingled with other gas in the general system of lines of the Hope Company. So far as the direction of the flow of the gas is concerned, it depends entirely on the points of lowest pressure, and the witness knew of no appliance which could be installed, other than a compressing station, which would cause gas to flow from one line into another when the pressure on the receiving line was greater than it was on the delivering line.

Pennsylvania Exhibit No. 15, offered at page 186, appearing at page 1509, replaced by Pennsylvania Exhibit No. 48, offered at page 974 (Wyer), appearing at page 1600.

This exhibit is a map of the main lines of the Hope Natural Gas Company, the Reserve Natural Gas Company and the Peoples Natural Gas Company.

**Page 189 :**

Size and length of the various pipe lines appearing on the map above mentioned, their locations, directions and routes. The pipe lines cross the State lines between West Virginia and Pennsylvania and West Virginia and Ohio.

**Page 190 :**

The Hope Natural Gas Company delivers gas through its own lines in West Virginia to the Brave Station of the Peoples Natural Gas Company, which station is in Pennsylvania, a short distance from the State Line, and the lines of the Hope Company extend across that state line. Brave Station is in Greene County, Pennsylvania. There is also some gas delivered by the Hope Company in its own lines at the extreme southwestern corner of Greene County, Pennsylvania. The Hope Company also delivers gas to the East Ohio Company, near Moundsville and near Clarington, Ohio, the gas passing from West Virginia over into Ohio through the pipe lines of the Hope Company.

**Pages 253 and 254 :**

**“Q.** The figures you have given are illustrative of calculations made which could be extended to various size lines and various pressures and various distances?

**A.** It could.

Q. I believe you stated that the system of the Hope Company was one complete system?—not separate units separately operated?,

A. It is.

Q. It is operated as whole?

A. It is.

Q. So that the gas received into the system can be, if desired, diverted to any given point or any given transmission line?

A. It can be diverted into any transmission line. It can be diverted into any of the transmission lines connected with the general system throughout the field. After the gas passes through compressing stations, it then enters the lines leading to certain cities or towns, and cannot be diverted, the way the lines are connected, after that occurs."

Page 258:

The various pipe lines of the Hope Company are equipped with gates, or valves, which may be operated to some extent so as to throw supplies of gas in various directions; that is, into certain of the transmission lines of the Company, and to shut off other transmission lines. The gates are generally used in case of breaks on any particular line, when the flow of gas in such line is thereby shut off.

Pages 309 and 310:

"\* \* \* The discharge line from Craig Station connects into the suction at Schultz Station, when

it is provided, so that it can be by-passed around that station. The second line and the other lines leading south from Schultz Station are suction lines proper for Schultz Station. These lines are connected together—paralleling each other on the map, are connected together, so that the double line for some distance south of Schultz Station can be used as a discharge line from Graig Station. To give you some idea how the plant is constructed, I might say that it is somewhat similar to a railroad system. Switches are provided for passing trains at certain points, and the same thing is provided in a natural gas system,—connections put in so that the gas can be by-passed from one point to another. Take the case of a railroad, sometimes a double track is built; trains going in one direction go out one track, and in the opposite direction on the other track, but at certain points switches or connections are provided, so that those trains can be switched over in case of emergencies. The same thing is true in a natural gas system; certain provision is made for switching the gas through certain lines. But the most efficient way to operate it is the way in which it is designed, just the same as it is with the railroad; the most efficient operation is the way in which the plant is designed; but other provision is made whereby it can be utilized, not so efficiently, but to some advantage in case of emergency."

Page 314:

"Q. Now, Mr. Sullivan, these in-take lines, as to which you have been examined as to the number and so forth, consist of lines, in the first instance, that are connecte with each well, do they not? Each well has a line connected to it, to take the gas from the well?



A. It has.

Q. And some of these well lines are run into and connected with each well, do they not? Each well has are connected or run, and thus the gas is transmitted to the compressor station?

A. Yes, sir.

Q. That constitutes the system, does it not?

A. It does. Each well has a line leading from the well. In some instances, if there is only one well, this line might extend entirely to the compressor station, but if there are a number of wells in that locality, they would no doubt be connected into a larger main line that runs centrally through the territory, so as to take the gas from a number of wells. They are all—however, a part of the intake system, taking the gas from the wells to the compressor stations.”

JOHN B. CORRIN.

Page 318:

The Connecting Gas Company is a transporting company not a producing company. It owns neither territory nor gas wells. It transmits gas produced by the Reserve Gas Company in West Virginia from the State Line between the states of Ohio and West Virginia to Sugar Grove, Ohio and Wheeler, Ohio.

H. A. WALLACE.

Page 364:

A line connecting with line “A” of the United Fuel Gas Co. near Kenova, West Virginia runs south to Inez, Kentucky and re-enters West Virginia ending at

Kermit, West Virginia; it crosses the State Line or River near Leach, Kentucky and Kenova, West Virginia, and subsequently crosses and recrosses the State Line several times. What is known as Line B 19 of the Reserve Company conducts gas from Wayne County, West Virginia across the river to a point at Wallbridge, Kentucky. No West Virginia consumers are on this line.

**Pages 375 to 376:**

When gas flows through a measuring station there is no stoppage or cessation in the flow, and the movement of the gas is continuous. As a matter of fact the gas cannot be measured except while in motion, and in the case, therefore, of a measuring station upon a State Line, gas flowing from the first state into the second would at no time suffer any stoppage or halt in its movement.

**Pages 374 and 375; 376 and 392:**

The Kermit field, a field of gas operating strata situate in Mingo County, West Virginia, and Martin County, Kentucky, has a gas bearing sand extending in one continuous stratum underneath the bed of the river dividing the two States, and the entire strip of sand lying partly in each State feeds gas into the pipe lines of the United Fuel Gas Company. It is impossible to determine whence any definite portion of the gas in the lines of the Company came; that is, whether from Kentucky or from West Virginia.

The Company has purchased gas in Kentucky to the amount of 615,000,000 cubic feet and in Ohio to the amount of over 14,000,000 cubic feet, which is com-

mingled with other gas in the lines of the Company produced or purchased in West Virginia and in Ohio. When gas is fed from any well into the lines of the Company, for instance line A, there is no way of knowing where that gas is going, whether to a consumer in West Virginia or to one in another State, nor is there any way of controlling it. The same holds good with reference to line E, another line of the company, although practically all the gas in that line goes out of the States. This much is possible of determination because there are very few West Virginia consumers on that line. The gas furnished to the United Fuel Company by the Hope Natural Gas Company and the Pittsburgh & West Virginia Gas Company is fed into the general pipe line system of the United Fuel Company and commingled with the common mass of gas purchased and produced by that Company.

Pennsylvania Exhibit No 22, offered at page 360, appearing at page 1566, replaced by Pennsylvania Exhibit No. 39-D, offered at page 876 (Wyer), appearing at page 1584.

This is a map showing the natural gas property of the United Fuel Gas Company in West Virginia, Kentucky and Ohio. This map shows the trunk lines of the United Fuel Gas Company and of the Columbia Gas & Electric Company, the compressor stations of the United Fuel Gas Company and the Columbia Gas & Electric Company, the drying plants of the companies and the distributing plant of the United Fuel Gas Company. The pipe lines appear on this map as crossing the boundaries of the respective States mentioned.

Pages 386-387 :

The United Fuel Gas Company delivered to domestic consumers outside the State of West Virginia about a million and a half cubic feet of gas, and such gas was delivered in and transported to Ohio and Kentucky towns.

Some nine and a half million cubic feet of gas is delivered by the United Fuel Gas Company to the Ohio Fuel Supply Company after crossing the State Lines of West Virginia and Ohio.

Page 381 (Cross-examination) :

"Q. Well, when you put the gas from any specific well into that line, and mingle it with the gas from other wells, you don't know where that gas is going, whether it is going to a consumer in West Virginia or a consumer out of West Virginia?

A. I do not, no sir.

Q. And you have no way to control it—You don't control it after it enters that line, whether it goes to a consumer in West Virginia or a consumer out of West Virginia, do you?

A. I couldn't keep track of that certain gas from a certain well, no, sir—not where it went."

JOHN B. TONKIN.

Page 439 :

Gas produced by the Hope Natural Gas Company in West Virginia is transmitted to Pennsylvania through

lines crossing the state boundary to Pittsburgh, Altoona and Greensburg, Pennsylvania.

**JAMES H. REED.**

Pennsylvania Exhibit No. 23, offered at page 486, appearing at page 1566, replaced by Pennsylvania Exhibit No. 39-F, offered at page 876 (Wyer), appearing at page 1586.

This is a map showing the natural gas property of the Philadelphia Company in Pennsylvania and West Virginia as of January 1, 1920. The map shows the natural gas distributing plants, the compressing stations, the gas fields and direction of gas flow of the Philadelphia Company in the two States named. Two of the gas fields are shown as extending unbroken underneath the line dividing Pennsylvania and West Virginia.

**Page 530:**

As indicated on Pennsylvania Exhibit No. 23, there is a gathering line of the Philadelphia Company that extends from West Virginia Pennsylvania State Line. Lines operated by the Pittsburgh and West Virginia Gas Company, and by the Equitable Gas Company, connect somewhere near the State Line and form one continuous line of transportation.

**Page 531:**

Some gas is brought down from Pennsylvania to West Virginia and then back again into Pennsylvania.

J. E. ANGLE.

Page 554:

The lines of the Fayette County Gas Company extend in one continuous line from West Virginia into Pennsylvania.

MARTIN B. DALY.

Page 564:

Ohio Exhibit No. 1, offered at page 564, appearing at page 1695, replaced by Pennsylvania Exhibit No. 47 (Wyer) offered at page 973, appearing at page 1599. (Pennsylvania Exhibit No. 47 is a copy of Ohio Exhibit No. 1, being a map of the main lines of the East Ohio Gas Company differing from the original Exhibit 1 merely in scale).

Pages 564 to 570:

This exhibit shows that the lines of the East Ohio Gas Company extend through numerous counties in Ohio, and the testimony given by Mr. Daly in this connection sets out in detail the line, connections and routes taken by these pipe lines.

Page 565:

Lines of the East Ohio Gas Company connect at the Ohio River with pipe lines coming from West Virginia.

L. B. DENNING.

Ohio Exhibit No. 2, offered at page 651, appearing at page 1695, replaced by Pennsylvania Exhibit No. 49, offered at page 974 (Wyer), appearing at page 1601.

(This exhibit is an exact copy of Ohio Exhibit No. 2, differing from the original exhibit only in scale).

Pages 651 to 658:

This exhibit represents the main trunk lines and transmission lines of the Ohio Fuel Supply Company, together with the various communities to which it supplies gas. On this map are also indicated the lines of the Northwestern Ohio Natural Gas Company.

Page 653:

Gas Brought from West Virginia by the United Fuel Gas Company is taken on the Ohio side of the river and transported to Sugar Grove or Wheeler Station at Sugar Grove where this West Virginia gas is mingled with Ohio gas.

Pages 656 and 657:

"Q. Mr. Denning, I wish you would describe a little more in detail the route of the gas obtained from the United Fuel Gas Company, down at the river, as it goes to Cincinnati, giving its connection to the so-called Cincinnati line or division?

A. The system generally, Mr. Eagleson, is so arranged as to be interchangeable, or rather I should say, I fancy, inter-connecting. The point being to keep gas flowing to the distributing points as nearly uniform as can be done. Gas received from the United Fuel at its delivery point on this side of the river in Ohio, and coming from West Virginia, passes along through line E, the 18-inch line, until it reaches Wheeler Station at Sugar Grove. As I explained before, it is there mingled with the other gas which is brought up from Vinton and Jackson Counties and the other producing territory in



the Sugar Grove field. It then can be thrown in any one of several directions. It can be sent to Zanesville over this line and these intermediate points as shown on the map. It can and is sent to Columbus through the line indicated by red, or through the line indicated by blue. It can in emergency be sent up through the cross line, clear up to Treat Station, so that in the event of an emergency, assuming that Treat station should for some reason or other be put out of business, we might be able to render some service to this section of the country controlled by Treat station, from Wheeler station; or it can and most usually is taken through one or the other of these cross lines running westerly from Wheeler station, connecting with the Cincinnati 18-inch line, as an additional safeguard, for Xenia, Hamilton, London and Cincinnati, and the intermediate towns supplied."

Page 715:

The gas brought by the Ohio Fuel Supply Company through the line connected with that Company's line and running to Sugar Grove becomes commingled there with gas produced by that Company in the State of Ohio in the Jackson and Vinton district.

G. F. BATCELOR.

Pennsylvania Exhibit No. 25, offered at page 746, appearing at page 1566. This is an outline map of the main lines of the Natural Gas Company of West Virginia, both in the Northern and Southern divisions of the system.

Pennsylvania Exhibit No. 26, offered at page 746, appearing at page 1566. Map showing the natural gas property of the Natural Gas Company of West Virginia, Southern division.

EUGENE P. WHITCOMB.

Ohio Exhibit No. 10, offered at page 750, appearing at page 1709.

Pages 750 to 758 and 764 to 772:

A map of the main lines of the Logan Natural Gas & Fuel Company in Indiana and Ohio.

Page 781:

"Q. Is your system of transportation lines so connected or interrelated that in case of a shortage of gas from any field that you may have in one of the three divisions, can you transfer gas from another division to that one, to help out?

A. The transmission—or the main or larger transmission lines pass through all the fields. We can regulate the supply by cramping the gates against the towns nearest the compressing stations and carrying a larger pressure to the points farthest away. We have some lines through which the gas may be closed, and the gas driven in either direction, though the principal main trunk lines running north, the gas flows only in one direction.

Q. Then your pipe line systems in Ohio, as a whole, are one unit, are they?

A. Practically one unit; they are all connected.

Q. And the division of your system into the Northern, Central and Southern is for what primary purpose?

A. More for the Operating Department, as a matter of convenience in classifying data and operations pertaining to the lines, fields and wells."

S. S. WYER.

Pages 876-878:

Pennsylvania Exhibit No. 39-A, offered at page 876 (Wyer), (replacing Pennsylvania Exhibit No. 24), appearing at page 1581; being a map of the Fayette County Gas Company showing how the Fayette County Gas Company gets natural gas from West Virginia. This map shows the geographical location of the pipe lines of the Fayette County Gas Company both in West Virginia and in Pennsylvania, although at the present time the Fayette County Gas Company does not own any pipe line property in West Virginia and the lines shown in West Virginia are the pipe lines of the Hope Natural Gas Company that are used for service to the Fayette County Gas Company across the State line. The Hope Natural Gas Company produces the gas in West Virginia, transmits it to the Wade measuring station and there delivers it to the Fayette County Gas Company, which takes it then into Pennsylvania where it is delivered by said Company to consumers in Uniontown, Connellsville, Scottdale and other towns in Westmoreland and Fayette Counties.

Pages 888 and 889:

The lines of The Manufacturers Light & Heat Company form a continuous net work, crossing and recrossing from the State of West Virginia into the States of Ohio and Pennsylvania. From the manner in which the lines are constructed and operated, in order to determine

whether the gas produced by the Company and transmitted through its lines into any one of the three States comes from any particular one of the States, tests must be made, and in some parts of the system they would show that all of the gas was West Virginia gas. In other parts of the system they might show all the gas to be Pennsylvania gas, and in still other parts of the system the gas would be intermingled, being West Virginia, Pennsylvania and Ohio gas.

**Pages 888-889:**

Following the lines of said company from West Virginia into Pennsylvania, there is a line coming into Washington County, Pennsylvania, near the Majorsville Compressing Station. At Hundred on the West Virginia side there is a compressing station that drives the gas into West Virginia and the lower end of Greene County, Pennsylvania, and then back again into Marshall County, West Virginia. From Hickory, Pennsylvania there are lines which deliver gas into West Virginia and also into Steubenville, Ohio. On crossing the Western Pennsylvania boundary line the lines of this Company run from the north part of Hancock County and enter Ohio, also reaching Chester, West Virginia as well as East Liverpool and Wellsville, Ohio. From that point gas is taken generally into other counties of West Virginia and Ohio.

**Page 891:**

The lines to the Carnegie Natural Gas Company cross and recross from West Virginia to Pennsylvania.

**Page 892:**

The lines of the Eastern Oil Company cross the

dividing line between Maryland and West Virginia in a number of places.

Pennsylvania Exhibit No. 39-B, offered at page 876, appearing at page 1582.

Pages 878 to 882:

This map shows the transmission lines of Hope Natural Gas Company in West Virginia.

Pennsylvania Exhibit No. 39-C, offered at page 876, appearing at page 1583.

Pages 882 and 883:

This is a map of the main lines of the Reserve Gas Company in West Virginia.

Pennsylvania Exhibit No. 39-D, offered at page 876, appearing at page 1584.

Pages 883 and 885:

This map shows the natural gas property of the United Fuel Gas Company in West Virginia, Kentucky and Ohio.

Pennsylvania Exhibit No. 39-E, offered at page 876, appearing at page 1585.

Pages 885 to 890:

This is a map of the main lines of The Manufacturers Light & Heat Company in Ohio, Pennsylvania and West Virginia.

Pennsylvania Exhibit No. 39-F, offered at page 876, appearing at page 1586.

Page 890:

This is a map of the natural gas property of the Philadelphia Company in Pennsylvania and West Virginia.

Pennsylvania Exhibit No. 39-G, offered at page 876, appearing at page 1587.

Pages 890 to 892:

A map of the main lines of the Carnegie Natural Gas Company in Pennsylvania and West Virginia.

Pennsylvania Exhibit No. 39-II, offered at page 876, appearing at page 1588.

Pages 892 and 893:

Map of the main natural gas lines of the Eastern Oil Company in West Virginia and Maryland.

Pages 932 and 934:

Gas feeding from a well into a line, which line in turn carries gas partly to points of consumption in West Virginia and partly to points of consumption in Pennsylvania and Ohio, has no label upon it and there is nothing upon it to distinguish ownership; it is all intermingled. It is generally very difficult, and in many cases impossible, to tell what points such gas will reach ultimately. There is no way of identifying the gas reaching any consumer as coming from any particular well or district. The only thing that can be known is that if gas is fed from a well into a general system, a certain percentage of such gas will ultimately reach consumers on that line, whether in the originating State or in other

States. The flow of gas on a given line can be controlled by controlling the pressure on the line by means of manipulating the gates or valves.

Page 935:

“\* \* \* There are certain local conditions where wells are feeding into lines crossing the state boundary, and where the direction of flow under normal conditions must always be the same, where it would always be an absolute certainty that the gas from those wells would get into a certain line, crossing the state line at a certain definite boundary, and going to a certain definite group of towns; for the property as a whole, however, it would be impossible to tell ordinarily—and that is especially true with a large number of wells in the southern part of the field—whether the gas would go one way or another. It is, of course, relatively very easy to proportion the amount of gas going into Ohio, to the East Ohio Gas Company, or to the Peoples Gas Company, or to the Fayette County Gas Company, by mere change of position of gate valve, but that change in position of gate valve will determine the relative volume as a total that will pass, and will have no bearing and will give no information on identity from either individual wells or even local fields.”

CHARLES E. KREBS—DEFENDANT'S WITNESS.

West Virginia Exhibit No. 30-A, offered at page 1115, appearing at Folio 448.



Pages 113 to 1117:

Map showing the location of gas pipe lines and compressor and measuring stations in West Virginia of the Carnegie Natural Gas Company, Eastern Oil Company, Fayette County Gas Company, Hope Natural Gas Company, The Manufacturers Light & Heat Company, Philadelphia Company, Reserve Company and United Fuel Gas Company. This is a composite map showing the same lines, stations, &c., as were shown on several maps introduced by the State of Pennsylvania through Mr. Wyer.

H. E. NEASE—DEFENDANT'S WITNESS.

Page 994:

According to the report submitted by the Hope Natural Gas Company to the Board of Public Works of West Virginia, the business of the Hope Company is confined to the State of West Virginia. This is also true with reference to the report of the Pittsburgh & West Virginia Gas Company and of the Reserve Gas Company.

Pages 1030 and 1031:

The Pittsburgh & West Virginia Gas Company markets a small part of its gas within the State of West Virginia; the greater part of the entire production, however, is marketed to the Equitable Gas Company at the West Virginia State line. The Equitable Gas Company is controlled by the same interests as the Pittsburgh & West Virginia Gas Company. It is customary for the producing company in West Virginia, as in the case of the Pittsburgh & West Virginia Gas Company, to sell its gas at the State line at the cost of production within West Virginia to the producing company.

Page 1061 (Cross-examination):

The Hope Company and the Reserve Company furnish a large amount of gas to other companies that transport that gas into Pennsylvania, Ohio and other States. Therefore, a large portion of the gas produced by the Hope Company is delivered to other companies to whom it sells, which companies transport this gas into Ohio, Pennsylvania and other States.

Note: These maps have not been reproduced here, but are referred to as the most convincing argument of the fact that the operating systems are one unit ignoring State lines.

VI.

THE OPERATION AND EFFECT OF THE WEST VIRGINIA STATUTE WILL BE TO APPROPRIATE TO THE USE OF WEST VIRGINIA CONSUMERS GAS ALREADY IN COURSE OF TRANSMISSION FROM WEST VIRGINIA TO OTHER STATES AND DESTROY THE MARKET FOR THE PRODUCT OF THE GAS COMPANIES, RENDER THEIR PLANTS VALUELESS AND PARALYZE THEIR BUSINESS.

Some of the evidence under this heading is necessarily repetition of evidence under previous and subsequent headings but this has been avoided as much as possible. This evidence under Point VI must be considered with evidence particularly under points VIII and IX as well as other points to obtain a fair comprehension of the above proposition.

HARRY A. QUAY.

(Pages 25 and 26; 26; 38 and 39; 48, and 129 and 130):

(Page 26):

“Q. And what would be the effect on the market value of the property of the investors?

A. I would say that the market value of the property, without gas to serve the patrons, would be very little.”

(Page 48):

“\* \* \* Again, if the service of a consumer is interrupted, no matter whether it is an industrial or a domestic consumer, he realizes that he can place no de-

pendence on the service; he was depending on it for heating, and he found he was not getting sufficient gas for that purpose, and was forced to put in a substitute fuel; if he could not secure gas for cooking purposes or lighting his home regularly, satisfactorily to him, he would be compelled to secure other fuel, substitute fuel."

(Pages 53; 99 and 100; 105 and 106, and 111):

If, under the operation of the statute, the companies producing gas in West Virginia were compelled to furnish gas through the West Virginia lines to West Virginia consumers in greater quantities than were furnished without the compulsion of the statute, then there would be a proportionate reduction of pressure along the entire system of lines; and among the points where pressure would be reduced, would be points through which gas flowed which had crossed from West Virginia to Pennsylvania and back again into West Virginia, with the result that the companies would be compelled under the statute to furnish to West Virginia consumers gas which had already been transmitted to Pennsylvania and had flowed back through the lines once more to West Virginia.

As a general proposition, it is the pressure in the lines which determine the direction of the flow of gas and not the gates which are placed at intervals along the lines and which to some extent may direct the flow of gas. For the most part these gates are not closed. There is, therefore, no way of determining in advance where gas, starting from any given point, would reach its final destination, or in what State. As an example, the case was cited of some gas which had been sent out from a West Virginia compressing station and which had been contaminated by sulphur, the odor of which

was plainly evident. Complaints were subsequently entered by consumers in widely divergent points in West Virginia and in other States, to-wit, Pennsylvania and Ohio, to the effect that the odor of sulphur had been noticed in the gas.

Although, as a general rule, it is impossible to know beforehand, or to direct, the flow of gas from West Virginia to Pennsylvania, it is known that the gas furnished to consumers upon the lines of the company at the furthest point North in Pennsylvania where the Manufacturers Company supplies gas to consumers, was produced in Pennsylvania.

T. O. SULLIVAN.

(Pages 212 and 213; 214; 215 and 216; 222; 326, and 330) :

(Page 214) :

“\* \* \* It (curtailment of supply to consumers outside of the State of West Virginia) would also have the effect of making the service that we could render to those companies so unsatisfactory to their consumers that they would necessarily have to adopt some other means of providing heat in their homes. Natural gas service, in order to be at all satisfactory, has to be practically a continuous service. Unless it can be relied upon, the public generally would only use it for such purposes as could be dispensed with easily at any time.”

(Page 215 and 216) :

“Q. What would be the effect upon the operation of your lines of an order from the Public Service Commission of the State of West Virginia to make connec-

tions with and supply the deficit of other natural gas companies in the State of West Virginia, for which you had made no provision and which previously you were not supplying, during these cold periods I have already referred to? \* \* \*

Q. The statute providing that the Public Service Commission should have the power and the right to compel any gas company in the state engaged in the transportation of gas to make connections with and supply the deficit to any other or all other gas companies in the state which had a deficit at the time?

A. In many instances it would be practically impossible for us to comply with an order of that kind, under the present construction of our pipe line systems. The lines are built with a view to delivering gas to certain communities. The compressing stations are installed for that purpose and with that end in view. A connection of that kind made on many of the suction lines in the field leading to these compressing stations would necessitate shutting down those stations, in order to permit the gas to accumulate in the suction lines and get a sufficient pressure from the natural rock that it would produce such a pressure as to force the gas to the points where it might be needed. It would have the effect of rendering a good portion of our equipment valueless for the purposes for which it was intended."

(Page 216) :

"Q. And what effect of disorganization would it have upon your operations, where no provision had been made for this particular demand at those particular times?

A. It would have the effect of creating a very chaotic condition, and of generally demoralizing the business. It would be almost impossible to operate under those conditions. In order to take care of any business, it is necessary to make some provisions, and if those provisions are interfered with, it certainly creates a very chaotic condition; more especially if that interference comes at times when all of the available supply is being utilized. It then creates a condition—I am frank to say I wouldn't know how to cope with it. It would be so dangerous that I would be very much disinclined to comply with any order of that kind, if it came at a time when conditions were serious.

Q. As I understand your answer then, as a practical gas man, you don't know what you could do under those circumstances, to operate the lines?

A. Not if I complied with the order. I should feel very much inclined to disregard the order and take a chance on going to jail, possibly."

(Page 222) :

If during cold weather, under compulsion of the statute, gas in the lines of the Hope Company were diverted to industries and other consumption in West Virginia, it would make the supply available for Pennsylvania and Ohio consumers so unsatisfactory that they would be compelled to discontinue its use entirely. Considering the shortages already existing in cold weather, any further curtailment of the supply for Pennsylvania and Ohio would have a very detrimental effect on the service in those States.



JOHN B. CORRIN.

(Pages 326; 328, and 330) :

If the gas territory and wells of the Hope and Reserve Companies were exhausted so that the business of supplying natural gas to consumers would have to be given up by the companies, the value of the plants would be "junk value," or less than 25 per cent. of the present value.

If the Reserve Company were compelled from time to time, especially in cold weather, to make connections with and supply other public utilities in West Virginia then those with which it had contracts and for which it had made provisions, it would not be possible to operate the system further because of the uncertainty and undependability of the gas supply furnished to consumers in Pennsylvania and Ohio; they could not be retained as consumers, and under such conditions it would not be practicable to maintain a gas company.

(Page 330) :

"A. I can't imagine how it would be possible for us to retain our consumers at all, if they were going to be subject to that interrupted service; but I don't think that people would be annoyed by the interrupted service. Another thing,—I think it would be extremely dangerous to have interrupted service. It might be that the gas would go off, practically entirely off, and come on again. It might blow up their houses. And the discomforts that people would undergo, I think they would not be annoyed by it and would put it out of their houses.

H. A. WALLACE.

(Pages 368 and 369, and 370 and 371) :

If the United Fuel Gas Company were compelled to obey the provisions of the West Virginia statute and supply the demands of the West Virginia consumers during the winter, it would be absolutely impossible to operate the Company successfully as a gas company under those conditions, for no doubt the Company would lose all its profitable business outside the State of West Virginia for the reason that the consumers would not tolerate the uncertain and insufficient gas supply which would result from an enforced compliance with the statute.

(Pages 368 and 369) :

“Q. If your company was compelled to supply, under the terms of the proposed legislation, which we are now resisting, an adequate supply to fill the requirements of the domestic, industrial and other consumers of the State of West Virginia, before taking any of the gas outside of the state, what, in your opinion, would be the effect of this upon your ability to transport any gas out of the state?

A. I feel that in a very short time, in cold weather especially, we would have no gas to transport out of the state, and for that reason I do not believe domestic consumers and other people would care to be connected to our lines, if they could only receive a supply of gas during the summer season, and in the winter time, when they absolutely needed the gas for heating and lighting and comfort, to have the supply discontinued, they naturally would not care to use gas for fuel. \* \* \*

JOHN B. TONKIN.

Pages 427 and 428; 428 and 429, and 429:

The value of the Peoples Gas Company's plant in the event of a cessation of gas supply to the extent that the plant could no longer be maintained would depend partly upon whether it could be converted into an artificial gas plant. As to the field and main lines, perhaps 15 per cent. of the investment could be salvaged. Unless the city distributing plants could be sold for the purpose of manufacturing artificial gas, their junk value would not pay for taking them out.

Pages 428 and 429:

"Q. Now, then, what would be the effect upon the operation of your company, if, under the provisions of the Act of the Legislature in controversy here, the Hope Company should be compelled to make connections with other companies to supply their deficit, or should be compelled to supply the demands of the consumers in West Virginia with gas before making deliveries to you? What would be the effect?

A. Well, the result would probably be that on extremely cold days there would be very little, if any, gas come north through the lines connecting with the Hope Company. It would create a situation that would leave us practically without gas, and what little gas we would have left would be scattered around to so many places, and we would have to try to do so much with so little gas, that we wouldn't have any service. It would also create a dangerous situation, where the gas would go out, no doubt, in a number of places. In fact, it would demoralize the operation of the company.

Q. Would that demoralization go to the extent of substantially shutting down your operations?

A. I think that after one winter of that, our customers would probably want to leave us; that they wouldn't put up with the inconveniences and the suffering that they would have to go through, under those conditions."

JAMES H. REED.

Pages 505 and 506:

In the event that the natural gas supply of the Philadelphia Company failed completely, the wreckage value of the Company's gas lines, plants, distributing system, &c., would be next to nothing. This is due partly to the fact that the expense involved in lifting and taking out pipe lines would be greater than the sum realized from their sale. Moreover, most of the streets under which pipe lines lie having been paved, there would be difficulty in salvaging the system, and, therefore, as to the gathering and transporting systems the whole investment of the Company would be wiped out. As to the distributing systems in the cities, it might be possible to use the systems for artificial gas.

J. E. ANGLE.

Page 555:

If, under the operation of the West Virginia statute, the Hope and Reserve Gas Companies would be compelled during cold days of the winter to make a connection between their lines and Morgantown or those at Fairmont for the purpose of supplying any

deficit in those towns during this period, this would, without doubt, put the Fayette County Gas Company out of business, the Fayette Company being entirely dependent upon the Hope Company for its supply of gas.

MARTIN B. DALY.

Pages 588; 589 and 606:

Page 588:

“Q. Under those circumstances then, if the authorities in West Virginia, pursuant to the Act in question here, were to divert to persons, firms or corporations in West Virginia for the service of the public, or any part of the public, for all purposes, in the State of West Virginia, a substantial amount of the gas that otherwise would come through the Hope Natural Gas Company’s lines to your company, what effect, if any, would that have with reference to the disorganizing and breaking down or destroying the operation of your company?

A. The result of such an action, in so far as we are able to anticipate it, would be the wreckage— practical financial wreckage of the company. It would result in depriving many of the communities of gas service of any kind. It would leave our transportation system without any reason or any practical use to which it could be applied. That alone would involve a loss of approximately \$20,000,000, less whatever salvage might be obtained from it.”

Page 589:

“Q. Now, you spoke of the result of such an act on the part of the authorities of West Virginia upon your physical property values. You may state more in detail, if you desire, what that result would be.

A. Financially the company must use its investment in its transportation system, for the reason that those pipe lines are constructed for the purpose of carrying very large quantities of gas, and if that quantity is not available, the system becomes useless. The pipes are very large and are not in demand for any other purpose, nor can they be used for any other purpose. We have but one pipe line that might be taken up and realize any profit over the cost of taking it up.

Q. What line would that be?

A. That would be the No. 1 line, 10 and 12 inch pipe. The 18 and 20 inch pipe would not be marketable.

Q. That would mean that the main transportation lines of your company from the Ohio River, in Monro and Belmont Counties, northward to the lake, would be rendered to what extent useless?

A. I should say that entire system would be lost."

Page 606: (Cross Examination):

When the supply of gas furnished by the Hope Natural Gas Company to the East Ohio Gas Company is reduced by 25 per cent. the plant of said latter company will become junk, for such a supply will be so inadequate for the demands that the business of said East Ohio Gas Company will be practically at an end for anything except cook stoves or lighting, and the use will not tolerate such an inadequate service.

T. J. JONES.

Page 636 :

The Dayton Gas Company depends entirely for its supply upon the Logan Natural Gas & Fuel Company, which Company secures its gas from West Virginia. If the supply of gas furnished the Dayton Gas Company were curtailed, the Company would have to receive a much larger price for its gas or it would go into the hands of a receiver. The earnings of the gas companies depend upon the volume of gas. If the volume is very materially reduced it necessitates either higher rates or means bankruptcy of the companies. If the gas were entirely cut off the companies would be put out of business, lose their investments, or would have to proceed to erect manufacturing plants and produce manufactured gas.

L. B. DENNING.

Pages 672 and 673; 674; 678; 679, and 702 :

Pages 672 and 673 :

“Q. Now, with reference to those one million people dependent upon your company for natural gas, as you stated, if the authorities in West Virginia, pursuant to the act in question here, were to divert to persons, firms or corporations in West Virginia, for the services of the public, or any part of the public, for all purposes in the State of West Virginia, a substantial amount of the gas that otherwise would come through the United Fuel Company lines to the lines of your company for distribution to those consumers, what effect would that have upon their gas supply in Ohio, and the operation of your company in their service?



A. I understand your question to be what effect the diversion of a substantial amount of the gas received from West Virginia would have upon the operations and property of The Ohio Fuel Supply Company and the people whom it serves. Is that a correct conclusion?

Q. That is correct.

A. A very disastrous and destructive effect upon both, of course more or less dependent upon the quantity of gas diverted. A substantial quantity diverted would have the immediate effect of disorganizing and disarranging the service to the consumers throughout the state, make necessary the entire elimination of service from a considerable number of consumers, a complete rearrangement of lines, compressing stations and operating conditions of the company and undoubtedly deprive a considerable portion of the people served by the company, of gas service, thereby destroying the investment which they have in appliances, and also result in a destruction of a considerable portion of the company's property, by reason of the fact that it would no longer be of any value or use in the company's operations, and would not have any value whatsoever, except what might be possibly obtained from a resale or junk or a salvage value. It would necessitate—I think I have already said—a complete elimination or discontinuance of service to a considerable number of consumers."

Page 674:

The value of natural gas service to the consumer depends upon the continuity of supply. Anything that interferes with that continuity of supply results in a disrupted and unsatisfactory service.

Pages 678 and 679:

"A. With very few exceptions they would be reduced simply to their junk or salvage value, for the reason that they were constructed primarily for the distribution of natural gas without regard, or without thought of ever utilizing them in manufactured gas distributions. You understand that the principles of construction as between a natural gas plant and a manufactured gas plant are entirely different and we would have very little left out of the distributing systems which we own ourselves other than junk or reclaimed value. I believe that some portions of the City of Toledo might be utilized in manufactured gas distribution, but even that is problematical."

Page 702:

When the diminishing supply of gas has failed or been used the gas companies will be put out of business and the consumer will have to turn to some other form of fuel.

J. W. McMAHON.

Pages 725 and 734 and 735:

The Northwestern Ohio Natural Gas Company will be financially ruined under the operation of the West Virginia statute, and its property would have only a junk value.

Pages 734 and 735: (Cross Examination):

If the supply of gas furnished the Northwestern Ohio Natural Gas Company by the Hope Natural Gas Company were diminished 2,000,000 feet a day, it would be dangerous for the company to attempt to operate.

EUGENE P. WHITCOMB.

Pages 782 and 783; 783; 783 and 784 and 787:

If for any reason West Virginia gas should be denied the companies of the Union Natural Gas Corporation, this would ruin and demoralize the service of the entire southern division of said corporation, with the exception of the two and a quarter million of gas available in local fields. There would be absolutely no gas whatsoever passing through the lines west of the Sugar Grove compressing station supplying the cities of Dayton, Muncie, Richmond, New Castle and other cities and towns in Ohio and Indiana. There would be no service whatever, or supply, to deliver to the City of Lancaster, in Fairfield County, Ohio; and the City of Newark, in Licking County, would be substantially out of gas.

Page 783:

“Q. What would be the effect upon your distribution system, and your supply to you company, if, for any reason the supply from West Virginia would become intermittent and irregular, sometimes—to illustrate—coming as it is now under your contract and then again being substantially denied to you?

A. It would probably result in the loss of all of the service under the contracts to which I have referred, by reason of being unable to give them a continuous supply. They would probably discontinue the use of natural gas altogether.”

Pages 783 and 784:

Under the operation of the West Virginia statute the companies of the Union Natural Gas Corporation

will receive no gas at the Sugar Grove station. This would demoralize the entire service of the southern division and render the investment, lines, compressing stations and distributing plants of very little value.

Page 787:

“\* \* \* Now, I want to ask you: If, for any reason, you were denied a supply of gas from West Virginia, what would be your financial loss because thereof?

A. It would be approximately the total value of the compressing plants, pipe lines and distributing systems, less whatever might be obtained in the way of junk value, or if sold as second-hand material, providing a purchaser could be obtained.”

J. K. ANDERSON.

Pages 820; 830 and 831, and 853 and 854:

Under the operation of the West Virginia statute it would be possible for the interstate companies doing business in West Virginia, in supplying gas to consumers in the States of Ohio and Pennsylvania, to operate at times, but they would be seriously crippled in their operations. Their plants would be practically useless for a large part of the year and they would lose their

market in those other States and thereby lose all or a large part of the plant used in serving consumers in the other States in transporting gas from West Virginia to those other States, both through large main lines and possibly some compressing stations.

Page 820:

If for any cause the supply of natural gas furnished to either domestic or industrial consumers becomes inter-

mittent and not continuous it would be impossible for the gas company to retain a market for its gas under such condition, for this would cause great dissatisfaction and result in the use of substitute fuel and destroy the market for gas.

Pages 853 and 854; Cross-examination :

The operation of the West Virginia statute would seriously diminish the supply of gas to consumers in Pennsylvania and Ohio.

NOTE—As bearing upon the demand for gas in West Virginia and some of those who would have to be supplied in accordance with the testimony of witnesses for the defendant upon that subject.

#### H. E. NEASE—DEFENDANT'S WITNESS.

Pages 1004-9:

#### “STATEMENT SHOWING INCORPORATED CITIES AND TOWNS OF WEST VIRGINIA SUPPLIED WITH NATURAL GAS, AND THE POPULATION THEREOF, 1900, 1910 AND 1920.

	Population 1920	Population 1910	Population 1900
Belington, Barbour County.....	1,766	1,481	430
Junior, Barbour County.....	593	435	338
Philippi, Barbour County.....	1,543	1,038	665
Burnsville, Braxton County.....	1,088	770	.....
Flatwoods, Braxton County.....	300	234	.....
Gassaway, Braxton County.....	1,518	1,086	.....
Sutton, Braxton County.....	1,500	1,121	864
Danville, Boone County.....	327	.....	.....
Madison, Boone County.....	604	295	.....
Bethany, Brooke County.....	400	433	245
Follansbee, Brooke County.....	3,135	2,031	.....
Wellsburg, Brooke County.....	4,918	4,189	2,588
Barboursville, Cabell County.....	974	907	429
Huntington, Cabell County.....	50,177	31,161	11,923
Milton, Cabell County.....	1,023	837	582

Grantsville, Calhoun County.....	450	282	225
West Union, Doddridge County.....	1,270	779	623
Montgomery, Fayette County.....	2,130	1,888	1,594
Glenville, Gilmer County.....	327	336	398
Layopolis, Gilmer County.....	175	156	.....
Troy, Gilmer County.....	113	144	148
Bayard, Grant County.....	1,074	417	540
Chester, Hancock County.....	3,283	3,184	.....
Hollidays Cove, Hancock County....	1,213	.....	.....
New Cumberland, Hancock County..	1,816	1,807	2,198
Bridgeport, Harrison County.....	1,346	577	464
Clarksburg, Harrison County.....	27,869	9,201	4,050
Lumberport, Harrison County.....	900	656	.....
Salem, Harrison County.....	2,920	2,169	746
Shinnston, Harrison County.....	1,679	1,224	535
Ravenswood, Jackson County.....	1,284	1,081	1,074
Ripley, Jackson County.....	580	591	579
Cedar Grove, Kanawha County.....	918	679	.....
Charleston, Kanawha County.....	39,608	22,996	11,099
Clendenin, Kanawha County.....	1,263	815	.....
East Bank, Kanawha County.....	586	551	468
Eskdale, Kanawha County.....	1,161	.....	.....
Pratt, Kanawha County.....	315	306	.....
South Charleston, Kanawha County..	3,650	.....	.....
St. Albans, Kanawha County.....	2,825	1,209	816
Union Mines, Kanawha County.....	291	.....	.....
Jane Lew, Lewis County.....	560	327	.....
Weston, Lewis County.....	5,701	2,213	2,560
Hamlin, Lincoln County.....	516	.....	.....
Logan, Logan County.....	2,998	1,640	444
Fairmont, Marion County.....	17,851	9,711	5,655
Fairview, Marion County.....	827	782	.....
Farmington, Marion County.....	679	519	.....
Mannington, Marion County.....	3,673	2,672	1,681
Monongah, Marion County.....	2,031	2,084	1,786
Rivesville, Marion County.....	1,061	190	164
Worthington, Marion County.....	381	292	.....
Benwood, Marshall County.....	4,773	4,976	4,511
Cameron, Marshall County.....	2,404	1,660	964
McMechen, Marshall County.....	3,356	2,921	1,465
Moundsville, Marshall County.....	10,669	8,918	5,362
Point Pleasant, Mason County.....	3,059	2,045	1,934
Elk Garden, Mineral County.....	422	438	581
Keyser, Mineral County.....	6,003	3,705	2,536
Piedmont, Mineral County.....	2,835	2,054	2,115
Kermit, Mingo County.....	636	.....	.....
Williamson, Mingo County.....	6,819	3,561	.....
Blacksville, Monongalia County.....	218	204	180
Morgantown, Monongalia County..	12,117	9,150	1,895
Star City, Monongalia County.....	1,202	318	.....
Triadelphia, Ohio County.....	299	261	287
Wheeling, Ohio County.....	54,322	41,641	38,878
St. Marys, Pleasants County.....	1,648	1,358	825
Kingswood, Preston County.....	1,417	800	700
Tunnelton, Preston County.....	703	792	479
Albright, Preston County.....	262	.....	.....
Terra Alta, Preston County.....	1,261	1,126	616
Rowlesburg, Preston County.....	862	936	652

Hurricane, Putnam County.....	666	422	240
Beverly, Randolph County.....	212	438	464
Eikins, Randolph County.....	6,788	5,260	2,016
Huttonsville, Randolph County.....	265	251	.....
Mill Creek, Randolph County.....	762	740	.....
Montrose, Randolph County.....	129	112	.....
Cairo, Ritchie County.....	662	668	653
Ellenboro, Ritchie County.....	286	204	.....
Harrisville, Ritchie County.....	1,036	608	472
Pennsboro, Ritchie County.....	1,654	930	738
Alvord, Roane County.....	285	229	.....
Reedy, Roane County.....	373	313	300
Spencer, Roane County.....	1,765	1,224	737
Grafton, Taylor County.....	8,517	7,563	5,650
Davis, Tucker County.....	2,491	2,615	2,391
Hambleton, Tucker County.....	488	1,300	.....
Hendricks, Tucker County.....	622	640	317
Parsons, Tucker County.....	2,001	1,780	618
St. George, Tucker County.....	150	245	152
Thomas, Tucker County.....	2,099	2,354	2,126
Centreville, Tyler County.....	155	113	156
Friendly, Tyler County.....	173	217	253
Middlebourne, Tyler County.....	929	546	403
Padden City, Tyler Co. (part of)..	215	.....	.....
Sistersville, Tyler County.....	3,238	2,684	2,979
Buckhannon, Upshur County.....	3,785	2,225	1,589
Credo, Wayne County.....	1,110	1,215	1,279
Fort Gay, Wayne County.....	617	.....	.....
Kenova, Wayne County.....	2,162	992	863
Wayne, Wayne County.....	981	.....	.....
Brooklyn, Wetzel County.....	724	627	632
Hundred, Wetzel County.....	710	557	261
Littleton, Wetzel County.....	660	712	509
New Martinsville, Wetzel County..	2,341	2,176	1,089
Paden City, Wetzel Co. (part of)..	1,490	.....	.....
Pine Grove, Wetzel County.....	797	474	.....
Smithfield, Wetzel County.....	774	765	.....
Elizabeth, Wirt County.....	681	674	657
Parkersburg, Wood County.....	20,050	17,842	11,703
Williamstown, Wood County.....	1,793	1,139	.....
Totals.....	395,113	265,506	159,435

**CHARLES E. KREBS—DEFENDANT'S WITNESS.**

**Pages 1121 and 1122:**

**J. S. LAKIN—DEFENDANT'S WITNESS.**

**Pages 1140-1154; 1155; 1158:**

**B. F. ROBINSON—DEFENDANT'S WITNESS.**

Page 1207.

R. T. CUNNINGHAM—DEFENDANT'S WITNESS.

Pages 1220 and 1221, and 1241:

The people living in the counties of Wetzel, Monongalia and certain other counties mentioned by Mr. Krebs have built their homes and equipped them for the use of natural gas therein as fuel and for illuminating purposes. A number of industries have been built and were so located for the reason that they could utilize natural gas for fuel. This is especially true in the counties of Marshall, Ohio, Wetzel, Marion, Monongalia, Harrison, Doddridge, Tyler, Pleasants etc., Wood. In Clarksburg and Fairmont all the dwelling houses were equipped for natural gas for heating. Some of the office buildings and places of business in Clarksburg were built without taking into consideration the possibility or the necessity of changing fuel at some future time. About 10 per cent. of the dwelling houses in Fairmont, however, were constructed with heating, hot water or steam heating furnaces. Factories and industrial plants in Fairmont were equipped for the use of gas.

The West Virginia University at Morgantown, the Preparatory Branch of the University of West Virginia at Keyser, the buildings at Marshall College in Huntington, the West Liberty Normal School in Ohio County, and various other colleges, schools and hospitals in Gilmer and Kanawha Counties, in the towns of Huntington, Fairmont, Moundsville, Terra Alta and Elkins, were built and equipped for the use of natural gas as a fuel.

The West Virginia University at Morgantown was compelled to change from the use of gas to the use of



coal as a method of heating upon the request on the part of the West Virginia Traction and Electric Company in order that said company might give better service to domestic consumers in Morgantown. The Preparatory Branch of the West Virginia University at Keyser, the West Virginia Trades School at Montgomery, the Glenville Normal School at Glenville and the West Virginia Collegiate Institute in Kanawha County have had an inadequate supply of gas for a period of years varying from one to three. During the cold weather it has been frequently necessary to dismiss school and there has frequently not been enough gas to prepare meals. Because of the inadequate supply of gas, the West Virginia School for Boys in Taylor County was compelled to change the heating plant from gas to coal. Because of an inadequate supply of gas at the West Virginia Industrial Home for Girls in Harrison County it was frequently necessary to put the girls to bed in order to keep them warm.

The Weston State Hospital and the Fairmont State Hospital have had during recent years an inadequate supply of gas. At times it has been necessary to shut down the laundry, to abandon electrical equipment and pumping equipment and to change, in the case of the Fairmont Hospital, from the use of gas as fuel to coal as fuel. During the extremely cold weather, at the Weston State Hospital it has been necessary to put patients to bed in order to keep them warm. The State Tuberculosis Sanitarium at Terra Alta has had a very poor supply of gas for about three years. In January of 1920 the gas supply was so inadequate that the patients would have frozen to death if the superintendent had not erected stoves and built fires, putting the pipes out through the windows as there were no

chimneys. The West Virginia Children's Home at Elkins has had such a poor supply of gas that it has been compelled to make a temporary change from gas to coal.

Wherever gas was supplied to the above mentioned institutions by one of the large interstate companies, the service was uniformly good. Where the service was defective it was from local companies.

**B. F. ROBINSON—DEFENDANT'S WITNESS.**

**Pages 1205, 1206 :**

Since the time gas commenced to be used as a fuel in Clarksburg the city has grown from a population of about 6,000 in 1900 to about 28,000 at the recent census. Gas was first used in about 1892 or in 1893. The great increase in the population and growth of Clarksburg can be attributed to the use of natural gas. The abundance of natural gas in 1900 and the surplus in this vicinity led to the offering of very low rates of four cents. As there was no market for the gas at that time it was used as an inducement to bring factories and consumers to Clarksburg. Practically all the industries in the vicinity of Clarksburg came in from outside sources. These industries brought at least 10,000 skilled workmen and other people connected with same in Clarksburg where they have located permanently, purchased homes and settled.

**R. T. CUNNINGHAM—DEFENDANT'S WITNESS.**

**Pages 1222, 1223 :**

The use of gas at Fairmont, West Virginia, has had an appreciable effect in the growth of that city. Because

of the availability of natural gas at low rates many industries requiring gas for fuel settled there, bringing with them skilled help and attracting other labor into the community. These workmen and people connected with the industries have located and built their homes in Fairmont and are dependent on these industries for their support. In general, throughout the Monongahela Valley of West Virginia, the same influence of natural gas in the matter of growth and development of the community may be traced. Some of the principal cities in this valley are Morgantown, Clarksburg, Mannington, Weston, Buckhannon and Grafton.

H. E. NEASE—DEFENDANT'S WITNESS.

Pages 1178, 1182, 1183, 1184, 1185, 1186, 1187, 1188:

The West Virginia University consumes gas furnished by the West Virginia and Maryland Gas Company, a subsidiary of the Eastern Oil Company group. The West Virginia Collegiate Institute in Kanawha County is supplied with gas by the Charleston-Dunbar Natural Gas Company, which has a connection with the United Fuel Gas Company. The Weston State Hospital is supplied with gas by the Keener's Oil, Natural Gas and Fuel Company, which, until May, 1919, received its gas from the Hope Company. The Spencer State Hospital in Roane County is served with gas by the United Fuel Gas Company. Marshall County, where the West Virginia Penitentiary is located, is served with gas by the Manufacturers Light and Heat Company, and to a small extent by the Pittsburgh and West Virginia Gas Company and the Hope Company. The West Virginia Industrial School for Boys in Taylor County is served by the Hope Company and the Pittsburgh and West Virginia Gas Company. Five of the large interstate com-

panies, to-wit: The Carnegie Natural Gas Company, the Reserve Gas Company, the Pittsburgh and West Virginia Gas Company, the Hope Natural Gas Company and the Manufacturers Light and Heat Company operate in Harrison County where the West Virginia Industrial Home for Girls is located. The State Tuberculosis Sanitarium at Terra Alta, Preston County, is served by the Northern Natural Gas Company, and the West Virginia Children's Home at Elkins in Randolph County is served by constituent companies of the Eastern Oil Company.

JOHN J. CORNWELL—DEFENDANT'S WITNESS.

Governor of West Virginia.

Pages 1193, 1197:

Prior to the enactment of the West Virginia statute in question the Governor of the State had received numerous complaints relative to the inadequacy of service furnished by the companies operating in West Virginia with a demand and a request for relief in respect thereto. These complaints and demands, beginning about 1917, came from manufacturers, gas consumers in Clarksburg, various Boards of Trade, Chambers of Commerce, Rotary Clubs, persons connected with hospitals, etc. Partly as a result of such complaints and requests the Governor laid the situation before the legislature during 1918 by a paragraph in his bi-annual message with a result that the statute in question was passed.

B. F. ROBINSON—DEFENDANT'S WITNESS.

Pages 1205, 1206, 1207, 1210:

Clarksburg, having a population of about 28,000

according to the last census, uses natural gas almost exclusively for domestic fuel and for fuel for industrial purposes. The Clarksburg Light and Heat Company has been compelled to buy gas from independent producers and from the Hope Company in order to supply its deficiency.

**R. T. CUNNINGHAM—DEFENDANT'S WITNESS.**

Pages 1218-25, 1228-29 :

Natural gas has been in common use in Fairmont, West Virginia for domestic and industrial purposes since prior to 1894, but recently some of the larger industries have put producer plants in operation.

Because of the inadequacy of gas service a large number of consumers in Fairmont are considering changing to the use of coal. The first serious shortage of natural gas came there during the Winter of 1916-1917. During this period the industries had no fuel for practically sixty days, schools had to be closed down, churches could not be properly heated, and there was considerable suffering and inconvenience. Glass activities suspended work for a period of from four to eight days, naturally causing considerable unemployment. In the Monongahela Valley many consumers have taken up the use of producer gas or other forms of fuel instead of natural gas. This applies especially to glass industries having continuous, not seasonal operation.

**CHARLES M. SNAITH—DEFENDANT'S WITNESS.**

Pages 1281, 1282 :

The local company supplying the town of Weston has not been able to meet the demands of the domestic consumers of natural gas for a period of two years.

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CHARLES A. SHORT—DEFENDANT'S WITNESS.

Pages 1281 1282:

In Shinnston, domestic consumers have suffered from the shortage of natural gas and it has been necessary in the electric light plant there to use coal, and stores, public buildings and school houses have also been affected by the shortage. These conditions are general in Harrison County. Until two years ago natural gas was used in Shinnston for all heating and lighting purposes in some industries.

VANCE L. HORNER—DEFENDANT'S WITNESS.

Pages 1309, 1311 to 1312:

Until the past year Lumberport, W. Va., used natural gas for domestic and industrial purposes. For the last three or four years the Lumberport Gas Company has been unable to supply its consumers of natural gas in outlying districts such as Erie and Hepzibah. If all the companies operating in this vicinity took their gas at only a natural pressure the Lumberport Natural Gas Company and the Shinnston Gas Company would be able to keep on supplying their consumers for four or five years, but if the larger companies, by the use of pumping stations, make a general practice of taking their gas out on a vacuum the wells of these companies will be drained and they will be able to supply their consumers for only about a year longer.

PARKE BOWSER—DEFENDANT'S WITNESS.

Page 1331:

Some communities such as Glenville, which is far

from the source of supply, are using coal for fuel because they have not enough gas to supply them.

F. C. DEVERICKS—DEFENDANT'S WITNESS.

Pages 1343, 1344 :

In section embraced by Doddridge, Harrison, Lewis, Wetzel and other counties in the north central part of West Virginia natural gas was generally used for heating, lighting and manufacturing purposes. Clarksburg has used gas for domestic purposes since 1893 or 1894, and this has been the exclusive fuel until the recent shortages in gas in 1915 and 1916.

During the winter of 1915-1916 there was a severe shortage of gas in and about Clarksburg. A great many industries were closed down, resulting in a loss of about one million dollars a week to the community. This was directly ascribable to the shortage of gas. The shortage was general throughout the State. Similar conditions with regard to industrial shut-down prevailed throughout the Monongahela Valley. This was the first severe shortage.

## VII.

THE OPERATION AND EFFECT OF THE WEST VIRGINIA STATUTE WILL BE NOT ONLY TO IMPAIR BUT WILL DESTROY AT TIMES THE CONTRACTS BETWEEN THE GAS COMPANIES AND OTHER COMPANIES AND CONSUMERS, DOMESTIC AND INDUSTRIAL, AND THE STATES OF PENNSYLVANIA AND OHIO AND THE UNITED STATES GOVERNMENT, AND WILL AT ALL TIMES MAKE SAID CONTRACTS UNENFORCEABLE AND MAKE THE OTHER PARTIES THERE-TO CANCEL THE SAME.

HARRY A. QUAY.

Pages 7 and 8; 118; 119, and 120:

The Manufacturers Light & Heat Company has a contract with the State of Pennsylvania to supply gas to the Boys' Industrial Home, known as Morganza. Said Company has contracts with the United States Government to supply gas to government dams along the Ohio River, and, further, said Company has contracts with the United States Government to supply gas to various post offices in Ohio, Pennsylvania and West Virginia. In addition to these, The Manufacturers Light & Heat Company has contracts to supply gas to various counties, as for example, Allegheny County, Pennsylvania, which gas is used by the county and State for county institutions. The Manufacturers Light & Heat Company also furnishes gas to the Department of the Interior, Bureau of Mines of the United States. State institutions, various municipalities, and in some instances county institutions, in West Virginia and Pennsylvania, are supplied with gas by The Manufacturers Light & Heat Company under contracts.



West Virginia Exhibit No. 1, offered at page 138, appearing at page 1712.

Gas Purchase Agreement between the Hope Natural Gas Company and The Manufacturers Light & Heat Company.

T. O. SULLIVAN.

Page 211:

The Hope Natural Gas Company had a contract with the East Ohio Company, dated March 1, 1910; with the Peoples Natural Gas Company, dated May 1st, 1911; with the Fayette County Gas Company, dated May 1st, 1910; with the Mountain State Gas Company; and the River Gas Company, dated April 1, 1910, which was assumed by the Hope Company on April 1, 1910; the contract with the Northwestern Ohio Natural Gas Company, dated October 16, 1915; the contract with the Reserve Gas Company, dated April 11, 1913.

Page 223:

The Hope Natural Gas Company supplies various municipalities and governmental institutions, both State and Federal, with gas, such as post office buildings, government dams, court houses, hospitals, churches, public schools and institutions of that character by virtue of contracts.

Pennsylvania Exhibit No. 16, offered at page 224, appearing at page 1509.

A contract between the Hope Natural Gas Company and the Northwestern Ohio Natural Gas Company, dated October 16, 1915.

Pennsylvania Exhibit No. 17, offered at page 225, appearing at page 1524

A contract between the Hope Natural Gas Company and the Peoples Natural Gas Company, dated May 1st, 1911.

Pennsylvania Exhibit No. 18, offered at page 225, appearing at page 1535.

A contract between the Reserve Natural Gas Company, the Union Natural Gas Company, the Hope Natural Gas Company, the Connecting Gas Company and T. N. Barnsdall, dated April 11, 1913.

Pennsylvania Exhibit No. 19 offered at page 225, appearing at page 1544.

A contract between the Hope Natural Gas Company and the East Ohio Gas Company, dated March 1, 1910.

Pennsylvania Exhibit No. 20, offered at page 225, appearing at page 1554.

A contract between the Mountain State Gas Company and the River Gas Company, dated April 1, 1910.

Pennsylvania Exhibit No. 21, offered at page 225, appearing at page 1560.

A contract between the Hope Natural Gas Company and the Fayette County Gas Company, dated May 1st, 1910.

West Virginia Exhibit No 2, offered at page 284, appearing at page 1724.

Hope Natural Gas Company and The Light, Fuel & Power Company agreement.

Page 326:

“Q. From your knowledge of the demand for gas in the State of West Virginia at the present time by other public utilities, industrial consumers, domestic consumers, and others in the state of West Virginia, what do you say if their demands and requirements were first fully supplied, as to whether or not you could carry out your contracts and transport the gas produced by you out of the State of West Virginia?

A. We certainly could not live up to our contracts, and in addition, it would practically make a whole lot of our equipment and lines a lot of junk, without value.”

H. A. WALLACE.

Page 373:

The United Fuel Gas Company supplies gas to natural gas companies that convey it to Louisville, Cincinnati and Pittsburgh, by virtue of contractual relations existing between said companies and the United Fuel Gas Company.

Pages 388 and 389:

The United Fuel Gas Company furnishes gas to the town of Nitro, West Virginia, a manufacturing town built by the United States Government during the war.

Page 402 (Cross-examination) :

The United Fuel Gas Company has contracts with the Columbia Gas & Electric Company, the Ohio Fuel Supply Company, the Central Kentucky Natural Gas Company, the Louisville Gas & Electric Company, the Portsmouth Gas Company, the Hope Natural Gas Company and the Pittsburgh & West Virginia Gas Company.

West Virginia Exhibit No. 35 offered at page 1199, appearing at page 1738.

Agreement dated July 5th, 1913, between the United Fuel Gas Company and the Louisville Gas & Electric Company.

West Virginia Exhibit No. 36, offered at page 1199, appearing at page 1745.

United Fuel Gas Company and Portsmouth Company agreement.

West Virginia Exhibit No. 37, offered at page 1199, appearing at page 1752.

United Fuel Gas Company and Central Kentucky Company agreement.

West Virginia Exhibit No. 38, offered at page 1199, appearing at page 1761.

United Fuel Gas Company and Ohio Fuel Supply Company agreement.

West Virginia Exhibit No. 39, offered at page 1199, appearing at page 1769.

United Fuel Gas Company and Hope Natural Gas Company agreement.

West Virginia Exhibit No 40, offered at page 1199, appearing at page 1777.

United Fuel Gas Company and Hope Natural Gas Company agreement.

West Virginia Exhibit No. 41, offered at page 1199, appearing at page 1780.

United Fuel Gas Company and Pittsburgh and West Virginia Gas Company agreement.

West Virginia Exhibit No. 42, offered at page 1199, appearing at page 1788.

United Fuel Gas Company and Pittsburgh and West Virginia Gas Company agreement.

West Virginia Exhibit No. 43, offered at page 1199, appearing at page 1291.

Columbia Gas & Electric Company and United Fuel Gas Company agreement.

West Virginia Exhibit No. 44, offered at page 1199, appearing at page 1800.

Columbia Gas & Electric Company and Ohio Fuel Supply Company and United Fuel Gas Company agreement.

W. W. FREEMAN.

Page 454:

The Union Gas & Electric Company, which supplies Cincinnati with natural gas purchases this gas from the Columbia Gas & Electric Company and the Ohio Fuel Supply Company, which latter company secures its gas from the United Fuel Company.

Page 458:

The Union Gas & Electric Company, of Cincinnati, Ohio, supplies gas to public institutions such as court houses, poor houses, hospitals, in Cincinnati, and during the winter months to the city water works plant of Cincinnati and the water works and municipal plants at Norwood.

JAMES H. REED.

Pages 500 and 501:

The Philadelphia Company supplies gas to various Federal and State institutions in Allegheny County, Pennsylvania.

Page 517:

The Pittsburgh & West Virginia Gas Company delivers gas to the Equitable Gas Company at the boundary line between West Virginia and Pennsylvania, as the result of a contract dating from the year 1917.

West Virginia Exhibit No. 3, offered at page 529, appearing at page 1729.

Pittsburgh and West Virginia and Equitable Companies Agreement No. 1.

West Virginia Exhibit No. 4, offered at page 529, appearing at page 1732.

Pittsburgh and West Virginia and Equitable Companies Agreement No. 2.

West Virginia Exhibit No. 5, offered at page 529, appearing at page 1733.

Pittsburgh and West Virginia and Equitable Companies Agreement No. 3.

West Virginia Exhibit No. 6, offered at page 529, appearing at page 1735.

Pittsburgh and West Virginia and Equitable Companies Agreement No. 4.

J E. ANGLE.

Page 535:

At the time that the Fayette County Gas Company sold its gas lines, territory and wells in West Virginia to the Hope Natural Gas Company it had entered into a contract with the Hope Company for the supplying of gas to the Fayette Company from the Hope. This contract was a written agreement, which has been previously offered in evidence as Pennsylvania Exhibit No. 21,—offered at page 225 (Sullivan), appearing at page 1560. Under this contract the Fayette County Gas Company is furnished from one and three-quarters to two billion cubic feet per year. For exact figures, see table appearing at pages 542 to 551.

Page 562:

Under the contract referred to above the Hope Company agreed to supply the Fayette County Gas Company with all the gas required for domestic consumption.

Page 563:

The Fayette County Gas Company entered into this contract with the Hope Company believing that the Hope Company would be able to supply it with gas in accordance with the provisions of the contract and furnish a supply sufficient for the domestic consumption of said Fayette County Gas Company for a period of 20 years the term of the contract.

MARTIN B. DALY.

Pages 570 to 572:

The East Ohio Gas Company, since its inception in 1898, has been procuring gas delivered to it from West Virginia by the Hope Natural Gas Company in accordance with a contract entered into with said Company. This contract is evidenced by Pennsylvania Exhibit No. 19,—offered at page 225 (Sullivan), appearing at page 1544.

Pages 574 to 577:

The East Ohio Gas Company supplies gas to various subdivisions of the State, such as municipalities, counties and school boards:



	Town- ship trustees.	U. S. Govt.	State.	County.	City.	Schools.	Total.
Dennison.....	..	..	..	..	1	2	3
Kent.....	..	..	..	..	1	4	5
Wesleyville.....	..	..	..	4	2	5	11
Youngstown.....	1	..	..	5	21	31	58
Girard.....	..	..	..	..	2	5	7
Hubbard.....	..	..	..	..	2	2	4
Struthers.....	..	..	..	..	2	3	5
Lowellville.....	..	..	..	..	1	..	1
East Palestine.....	..	..	..	..	2	1	3
Poland.....	..	..	..	..	1	..	1
New Middletown.....	..	..	..	..	..	1	1
Petersburg.....	..	..	..	..	..	1	1
Warren.....	1	..	..	2	4	9	16
Niles.....	..	..	..	..	4	3	7
Wooster.....	1	..	5	3	6	6	21
Orrville.....	..	..	..	..	1	3	4
Shreve.....	..	..	..	..	2	1	3
Loudonville.....	..	..	..	..	3	3	6
Barberton.....	..	..	..	..	..	3	3
Wadsworth.....	..	..	..	..	..	2	2
Doylestown.....	..	..	..	..	1	2	3
Millersburg.....	..	..	..	..	..	1	1
Danville.....	..	..	..	..	..	1	1
Gann (Brinkhaven).....	..	..	..	..	..	1	1
	<u>2</u>	<u>9</u>	<u>10</u>	<u>23</u>	<u>290</u>	<u>441</u>	<u>775</u>
Cleveland & Suburbs ..	4	4	4	2	170	275	455
Akron.....	1	1	1	3	31	28	64
Cuyahoga Falls.....	..	..	..	..	3	1	4
Kenmore.....	..	..	..	..	3	2	5
Canton.....	..	..	..	2	11	17	30
North Canton.....	..	..	..	..	..	1	1
Massillon.....	1	..	..	..	7	10	18
Dover.....	1	..	..	..	4	6	11
New Philadelphia....	1	..	..	2	3	9	15
Uhrichsville.....	..	..	..	..	1	2	3

Total churches and parsonages entire system 1,331

Total charitable institutions entire system... 202

2,308

Page 590 :

The East Ohio Gas Company is under contractual relations with various municipalities in Ohio to supply consumers therein with natural gas for a period of years.

Page 594 (Cross-examination) :

By an additional contract with the Hope Natural Gas Company, the East Ohio Gas Company contracted with the Hope Company for an additional supply of gas in order to take care of the increased demand of the East Ohio Gas Company.

Page 596 :

Prior to 1910 the contracts between the East Ohio Gas Company and the Hope Natural Gas Company for the sale and delivery of gas at the Ohio River were not in writing, although there was an understanding relative to same. In regard to contracts with municipalities, the East Ohio Gas Company is obliged by ordinance to supply these municipalities with gas to the extent of the ability of the Company.

T. J. JONES.

Pages 632 and 633 :

The Pure Oil Company supplies gas to Federal and State buildings, schools and hospitals in the Cities of Columbus, Dayton and Springfield some of which are the Hospital for Feeble Minded, the Hospital for Insane, School for the Blind, School for the Deaf and Dumb, the Ohio State University, and all State institutions in the City of Columbus.

Page 635 :

The Dayton Gas Company purchases or secured its entire supply of gas from the Logan Natural Gas & Fuel Company by virtue of a contract between the two companies, and depends entirely for its supply of gas upon the amount of gas that the Logan Natural Gas & Fuel Company can secure from West Virginia.

Page 641 (Cross-examination) :

The Pure Oil Company has contracts for gas with the Ohio Fuel Supply Company.

Page 646 (Redirect Examination) :

This Company contracted with the Ohio Fuel Supply Company for gas to be furnished Columbus in April of 1914, for Springfield in November, 1914, and for Dayton contracted with the Logan Company for June of 1916.

Page 648 (Recross Examination) :

"A. I would be unable to say, as I said, from personal experience, what quantity of gas comes from West Virginia that is distributed in the cities of Columbus and Springfield, also in the city of Dayton, other than our contract specifically states that the gas we receive at Dayton comes from West Virginia through contracts held by the Logan Natural Gas and Fuel Company."

L. B. DENNING.

Page 656 :

The Ohio Fuel Supply Company acquires its West Virginia gas by reason of contractual relations with the United Fuel Gas Company.

Page 697 (Cross-examination) :

The Ohio Fuel Supply Company is demanding that there shall be a sufficient supply of gas delivered to it from the State of West Virginia for consumers in the State of Ohio because it has contracts for such.

Page 708 :

The Ohio Fuel Supply Company has entered into contracts with consumers directly supplied by it, and also into contracts with the communities of Columbus, Springfield and Hamilton. The latter contracts contain provisions to the effect that the consumers who were a party to the contracts first mentioned are to be supplied with gas by the Ohio Company before the communities, and that the latter are to be entitled to only as much gas as might be left in the event of shortage after supplying the others.

J. W. McMAHON.

Page 718 :

The entire supply of gas of the Northwestern Ohio Gas Company comes from the Hope Natural Gas Company.

Page 719 :

The Northwestern Ohio Gas Company has contracted with the Hope Company for West Virginia gas.  
Page 717 (Cross-examination) :

The Northwestern Ohio Gas Company began to take gas at the Sugar Grove Station from the Hope Natural Gas Company in 1903 or 1904 under a written

contract. Pennsylvania Exhibit No. 16,—offered at page 224 (Sullivan), appearing at page 1509, shows an agreement between the Hope Natural Gas Company and the Northwestern Ohio Gas Company as of October 16, 1915. This is the contract under which the Northwestern Company is at present securing its gas.

Page 728:

"My statement is that if, owing to the enactment of laws by the state of West Virginia, whereby The Hope Natural Gas Company cannot deliver us the amount of gas, or a lesser amount of gas than they are now delivering us, that it will be detrimental."

Page 730:

"Q. Aside from the existence or operation of this statute, have you had, or do you now have in mind, any idea that the increasing shortage in West Virginia will interfere in any respect with the ability of The Hope Company to deliver gas to The Northwestern Company.

A. Well, I understand that The Hope Company have sufficient territory to give us a fair supply of gas in accordance with their contract if the gas can be delivered in accordance with their contract, but if diverted by law or in any other way, that it would interfere with their ability to furnish us."

EUGENE P. WHITCOMB.

Pages 765 and 766:

The Union Natural Gas Corporation, through subsidiary companies, entered into contracts with the Cen-

tral Indiana Gas Company, Central Contract & Finance Company and the Jantha Light & Heat Company to supply gas to various towns in Indiana and Ohio.

"All of the contracts to which I have referred and all of the towns supplied on these lines contemplated the use of nothing but West Virginia gas. There was no provision—in fact, the contract stated that they were not entitled to gas produced in the state of Ohio."

Page 768 :

"\* \* \* all contracts on the line from Sugar Grove to Dayton and Indiana contemplate and provide for the delivery of West Virginia gas only, and specifically recite the fact that the Union Natural Gas Corporation has available a large quantity of gas in West Virginia, and that they are not entitled to Ohio gas.\* \* \*"

Page 769 :

"\* \* \* A new contract was made with the Dayton Gas Company (about 1915) which provided, as I stated, for the use of West Virginia gas only, and in 1913, in the early part of the year, contracts were made with the Central Indiana and other distributing companies within that state, which provided for West Virginia gas only: \* \* \*"

Page 772 :

The Union Natural Gas Corporation of Ohio has contracted with the Reserve Gas Company for gas. A new contract was entered into between said parties on April 11th, 1913, which is the contract under which these companies are operating at the present time. This

contract is referred to in Pennsylvania Exhibit No. 17,— offered at page 225 (Sullivan), appearing at page 1524. Under this contract the Union Natural Gas Corporation was to receive 12,000,000,000 cubic feet of gas per year. From 1904 to 1919, inclusive, under the contracts referred to, the Reserve Gas Company delivered to the Union Natural Gas Corporation 102,682,712,000 cubic feet of gas.

Pages 773 and 774:

During the years 1914 to 1918 the Union Natural Gas Corporation received from the Reserve Company the full amount of gas to which it was entitled, but it was obliged to take during the summer months an excess of gas. During the year 1919, however, the amount received by the Union Natural Gas Corporation was 2,400,000,000 cubic feet short of the amount to which it was entitled by virtue of the contract.

Page 783:

Any diversion of West Virginia gas from the Union Natural Gas Corporation would result in a shortage of gas to all the consumers supplied by the lines of said Company running west from Sugar Grove, the lines running north to Newark and Lancaster, and lines to Circleville, Chillicothe and Athens, Ohio. If the volume were to cease entirely, practically all of the service of said Company as outlined above would be put out of commission.

Page 784:

If under the operation of the West Virginia statute the Union Natural Gas Corporation were to receive no gas at Sugar Grove, the entire service of the Southern division of said Company would be demoralized.

Page 797 (Cross-examination):

There are a number of contracts made by the Logan Natural Gas & Fuel Company with different distributing companies, to-wit: Central Indiana Gas Company, located at Muncie, Indiana; Dayton Gas Company, at Dayton, Ohio; Richmond Light, Heat & Power Company, of Richmond, Indiana; Interstate Public Service Corporation, at New Castle, Indiana, and the Jantha Light, Heat & Fuel Company, in the Western part of Ohio. These contracts were all made during the year 1913 and provide, in express terms, that the gas delivered by the Logan Natural Gas & Fuel Company is to be West Virginia gas.

SAMUEL S. WYER.

Page 969:

"\* \* \* where the gas, after severance is delivered to the lines in West Virginia where such lines deliver gas to lines in other states, the diversion of gas from those interstate lines in West Virginia would result in the inevitable voiding of contractual relationships and destroy many property rights, because of the inability of such West Virginia interstate lines, on account of such diversion, to meet their contractual obligations at the state lines, where the gas is delivered to lines in the other states. \* \* \*

Note: In this connection the evidence under the VI heading preceding and the VIII following is not here repeated, this evidence showing that under the provisions of the statute of West Virginia these companies could not carry out the contracts referred to under the above heading.



VIII.

THE OPERATION AND EFFECT OF THE WEST VIRGINIA STATUTE WILL BE TO ABSOLUTELY PROHIBIT AT TIMES, DURING PERIODS OF COLD WEATHER, THE TRANSPORTATION OF GAS FROM WEST VIRGINIA INTO PENNSYLVANIA, OHIO OR OTHER STATES AND THUS DRIVE CONSUMERS OFF THE LINE ALTOGETHER AND FOR THE WHOLE YEAR.

SECTION 5.

HARRY A. QUAY.

Pages 43 to 47 and 1244:

If The Manufacturers Light & Heat Company were called upon to supply natural gas to meet the probable requirements of all industrial consumers of West Virginia, it would require between twenty-five and thirty-three million cubic feet per day. This estimate is based upon previous consumption of gas by various West Virginia industrial consumers, a partial list of which is given, and upon information as to what those industrials have informed the Manufacturers Company from time to time as to the amount of gas they would or might desire to use. At present these industrials are being supplied with about one million and a half feet as a minimum, and about 6,000,000 feet as a maximum, per day.

Most of the industrials, realizing the possibility of curtailment of their supply by the Manufacturers Company for the better service of domestic consumers, have

supplied themselves with fuel other than natural gas and installed apparatus for the production of producer gas, and some were using coal for fuel whenever possible.

Page 47:

"A. I would say that if my company was compelled to furnish gas in an amount equal to the possible requirements of all of our customers, connected to our lines in the State of West Virginia—and that would apply to all other companies in the State as well—that it would practically demoralize our business in the States of Pennsylvania and Ohio. It would make the physical operation of the property absolutely problematical; you wouldn't know what your requirements were going to be for a certainty in the State."

After referring to periods of the previous year when the Company was short of gas at various Pennsylvania and Ohio Cities the witness continued:

For that reason, I base my opinion, if we were called upon to supply ten, fifteen, twenty or twenty-five million feet a day in addition to the amounts that we were furnishing, or if that amount of gas was taken out of the distribution end of the States of Pennsylvania and Ohio and used in West Virginia prior to the time that it got into the lines in those two States, it would mean that there would be times there would be practically no gas in a great many lines of the company in the two States of Ohio and Pennsylvania."

Page 48:

"Again, if the service of a consumer is interrupted, no matter whether it is an industrial or a domestic consumer, he realizes that he can place no dependence on

the service; he was depending on it for heating, and he found he was not getting sufficient gas for that purpose, and was forced to put in a substitute fuel; if he could not secure gas for cooking purposes or lighting his home regularly, satisfactorily to him, he would be compelled to secure other fuel, substitute fuel."

Pages 50-51:

"Q. Under the present system of operation of your lines in West Virginia, state what the facts are as to the West Virginia consumers getting, during times of shortages at other points, their proportion of gas from the lines.

A. The domestic consumers in the State of West Virginia have not suffered any shortage."

Q. You mean those on your lines?

A. On our lines. With the exception of the domestic consumers in the town of New Cumberland, Hancock County, West Virginia. The domestic consumers in Ohio have suffered shortages; the shortage the past winter in the city of Steubenville, for domestic consumers, at Martins Ferry, Bridgeport and Bellaire, Ohio, has been marked. The shortage for domestic consumers on the lines of our company in the city of New Castle has been very severe; there have been at least twenty-four different shortages in that city, some periods of time there being no gas whatsoever in the lines for their use. New Brighton, Beaver Falls, Rochester, various smaller communities in the Beaver Valley have experienced severe shortages. In the district, the domestic consumers in and surrounding Pittsburgh, Bellevue, Avalon, and in that territory have suffered three or

four severe shortages, in some cases there being no gas or not sufficient gas so that any would burn in their homes."

Page 131 (Cross-examination):

"If we were required to furnish amounts of gas which, for instance, our industrial consumers would like to have and would take, in West Virginia, the amount of gas which they would use and would take would be taken to the detriment of consumers further along in the states of Pennsylvania and Ohio and also West Virginia—that is, the domestic consumers. Take, in extreme cold weather, when the domestic consumer is using all the gas that he desires, if I were to permit the use of gas for industrial purposes, there would be a great shortage in the supply of gas to domestic consumers. It is by the discontinuing or curtailing of the amount of gas furnished industrial consumers that we can tide ourselves over during these cold periods, these peak load periods. In other words, we divert and give to the domestic consumer the gas that we have available, in preference to giving it to the industrial consumer. You can readily see, if I was called upon at times even for only a million feet of additional gas to factories, that would mean one million feet less for domestic consumers. There have been times that I have been short, that a million feet, if I had it available, would have prevented that particular shortage. Now, when that gets up to eight or ten million feet, and they take it out, and it is not permitted to be utilized for domestic use, the prospect of shortage becomes very much more acute.

Pages 133; 348 and 349; 586 and 587; 631 and 677:

Harry A. Quay, of the Manufacturers Company; John B. Corrin, of the Reserve, Hope, Connecting and other

companies; Martin B. Daly, of the East Ohio Gas Company; T. J. Jones, of the Natural Gas Properties of the Pure Oil Company; L. B. Denning, of the Ohio Fuel Supply Company; testimony summarized:

Natural gas constitutes the best fuel for domestic consumers in that it is especially adapted for lighting, heating and cooking purposes. It is much more economical than either electricity or coal and much cleaner than the latter. Its use results in a great saving of money and labor towards consumers.

HARRY A. QUAY.

Pages 41 to 43; 51; 52; 121 to 124; 147 to 150; 151 and 152, and 173 to 177:

This evidence may be summarized as follows:

In past years large quantities of gas had been furnished by The Manufacturers Light & Heat Company to various industrial plants in West Virginia, Pennsylvania and Ohio. Follansbee Brothers, for example, at Follansbee, West Virginia, required and obtained about 4,000,000 cubic feet per day at one time. At present, especially in winter, the supply of gas to industrial companies is very much restricted, and very little gas, at least when compared to the amount supplied to domestic consumers is being furnished to industries. The gas companies have adopted the policy of curtailing in part, and sometimes almost altogether, the supply of gas furnished to industrial consumers. Industrial consumers in West Virginia have at times been furnished gas in preference to those in Pennsylvania and Ohio (p. 51). The gas companies in general operating in West Virginia, including The Manufacturers Light & Heat Company have entered upon a systematic campaign

of discouraging the industrials throughout the three States above mentioned from using natural gas, and every contract made by The Manufacturers Light & Heat Company with an industrial consumer contains a clause reserving the right to temporarily discontinue, in whole or in part, the supply of gas furnished such consumer in the event that the domestic consumers required all the gas which the company had available. In 1915 the Manufacturers Company had withdrawn their industrial schedules altogether. At various times the supply furnished industrial companies in Pennsylvania and Ohio had been entirely discontinued for periods of varying length. Pennsylvania Exhibits 2 to 8, inclusive, consist of letters which were sent out by The Manufacturers Light & Heat Company to industrial companies, advising them that the Company was not in position to furnish them with a full and adequate supply of gas.

But the industrial companies have not been entirely cut off from the natural gas supply by the gas companies, for the reason that at certain periods, as in summer, the companies have more gas than is required by the domestic consumers. Sales would be lessened if industrials were entirely cut off, and, as a consequence, the rate to domestic consumers would have to be raised in order that the Company might continue its operations under favorable financial conditions. For such reasons the companies find it impossible to discontinue entirely the sale of industrial gas.

T. O. SULLIVAN.

Page 217:

“Q. Now, from your recollection of the quantity of gas that was required by these industrial plants in

West Virginia, both from your prior and present experience, what do you say as to those industrial plants, if they could receive all of the gas they desired for all of their operations, having a demand sufficient practically to take most of the gas produced in the state?

A. In cold weather, when the demand of the domestic consumers would be large, if all the industries adopted the use of natural gas to meet all their requirements, then, in my judgment, there would be a demand to take practically all of the gas that the Hope Natural Gas Company produces. This might not apply to all portions of the State of West Virginia, but in the sections in which we are operating, there would be a demand for practically all of the gas that is being produced at those times."

Pages 226 and 227 :

"Q. From your knowledge and experience in the natural gas business and the operation of natural gas companies, if those companies engaged in furnishing, or required by law to furnish, natural gas for public use, or for the use of the public, for domestic, industrial or other consumption, within the State of West Virginia, are compelled to furnish a supply of natural gas reasonably adequate for the purposes, whether domestic, industrial or otherwise, for which natural gas is consumed, or desired to be consumed, by the public, or any part of the public, within the State of West Virginia, within what length of time, in your opinion, would the demand for natural gas in the State of West Virginia, for domestic, industrial and other purposes, as defined by the Act now in controversy, take substantially all of the gas produced in the State of West Virginia?

A. If the different natural gas companies operating in the State of West Virginia were compelled to furnish all of the gas that might be required for use within the state, in my opinion it would be only a comparatively short time until there would be a sufficient demand to use all of the gas that is produced. I base this opinion upon the desires which have been expressed by different firms and persons using gas within the state, of what their requirements would be, if they could obtain all the gas they needed. I also understand that in certain industries natural gas is very much better adapted for certain purposes than any other fuel that can be secured. And in view of that, it would no doubt cause other manufacturers outside of the State of West Virginia, to locate in the state, on account of the advantages which they would obtain by the use of this fuel. Taking these matters into consideration, I feel satisfied that it would be only a comparatively short time, possibly a year, maybe two years, until there would be a demand developed within the state that would use all of the gas that might be produced."

Pages 222 and 223:

"Q. In the operation of a natural gas company, there is what is usually called, or frequently referred to, the peak load?

A. Yes, sir.

Q. Now, tell us what the peak load is, in your experience as a natural gas man?

A. The peak load is the demand created by the increased quantity of gas required by consumers on cold days and at certain hours of the day. In cold



weather, on an extremely cold day, the demand of the average domestic consumer will be from four to five times greater than it is on the normal day. Then there are certain hours in the day when the demand is very considerably increased above the normal demand; that is, from about 6:30 to 8:30 in the morning, during the time that breakfasts are being prepared. Then again, from about 11:30 to 1:30 in the afternoon, while the mid-day meal is being prepared. And again, from about five o'clock in the evening to seven o'clock, when supper is being prepared. This creates a very increased demand, which probably at times is as high as 15 to 20 times more than the regular average daily load. Of course, the demand in the winter season—the normal demand in the winter season, is considerably larger than the normal demand in the summer season, probably about four times.

Pages 214; 226 and 227, and 300 to 302, summarized:

Under the operation of the West Virginia statute the industrial consumers in West Virginia would demand and consume an amount of natural gas greatly in excess of the amount they at present are consuming or being furnished with by the gas companies. Natural gas is the fuel best adapted for the purpose of those industrial consumers and if under the operation of the statute such industrial consumers could obtain all the gas they desired, various other industrial plants would be tempted to locate in West Virginia, which would account for the consumption of a large additional amount of natural gas. The demand which would be worked up by the industrial consumers in West Virginia under the advantages of the statute would very shortly reach a point where there would be no gas left for exportation to other States. As to the industrial consu-

mers now supplied, or reasonably close to the lines of the Hope Natural Gas Company, it would take between sixty and seventy-five million feet of gas per day to fulfill their demands if the provisions of the statute were enforced.

Pages 214, 215, and 222:

It is estimated that under the operation of the West Virginia statute if the West Virginia consumers could get all the gas they wanted it would amount to from 60,000,000 to 75,000,000 cubic feet per day, and that this would result in making the service to all the other companies—that is, other companies buying, selling and producing gas and buying some of it from the Hope—to which the Hope Company was supplying gas, very unsatisfactory and inadequate for the requirements of the customers of such companies. On cold days, assuming the increase in demand under the operation of the statute, the Hope Company would be able to give practically no service to any of the companies purchasing gas from it outside of the State for the service would be so poor that it would be practically of no value to the consumers of those companies. Owing to the present shortages which exist in Pennsylvania and Ohio, any additional quantity taken out of the lines would have a very detrimental effect on the service in other States.

Pages 221; 288 and 288 to 290, summarized:

It is the general rule of all companies engaged in the natural gas business, as well as of the Hope Natural Gas Company, to give preference to domestic consumers over industrial consumers in the event of a shortage of gas on the line, when there is not sufficient to supply both

and this has been the general rule for many years, despite the fact that since the industrial demand is more uniform and regular over the entire year than the domestic gas companies would prefer to serve the former. But, for the reason that at certain periods during the year the companies have more than sufficient gas to supply the requirements of domestic consumers, it is still necessary to dispose of the surplus to industrial consumers since this obviates the necessity for higher rates to domestic consumers. That is, the companies are enabled to give a lower rate for domestic service by reason of the income and return received from the industrial service.

JOHN B. CORBIN.

Pages 326 and 327:

"Q. What would be the effect upon the practical operation of the lines of the Reserve Natural Gas Company, if it were compelled from time to time, especially on the coldest days or periods of winter, to make connections with and supply other public utilities in the State of West Virginia than those with which it had contracts, and for which it had made provisions?

A. First, it would be very dangerous. I do not see how it would be possible to operate any gas system of lines if you could not determine the amount of gas that was going to go through those lines and have some person or city, or otherwise, take gas off the line before it reached your consumers. In addition, you could not retain any of your consumers yourself, because the service that would be rendered would be uncertain and undependable; and in fact, I don't believe that it would be practicable to maintain a gas company if that condition existed.

Q. From your knowledge of the demand for gas in the State of West Virginia at the present time by other public utilities, industrial consumers, domestic consumers, and others in the State of West Virginia, what do you say if their demands and requirements were first fully supplied, as to whether or not you could carry out your contracts and transport the gas produced by you out of the State of West Virginia?

A. We certainly could not live up to our contracts, and in addition, it would practically make a whole lot of our equipment and lines a lot of junk, without value.

Q. Would the present requirements and demands of domestic, industrial and other consumers in the State of West Virginia, in the coldest periods of the year, be sufficient, practically to take all the gas produced and transported by your company and the other natural gas companies in the state?

A. I don't believe there would be very much left to go through our lines out of the state, if all the demands were met."

Page 327:

The variation between the normal demand and the peak load demand among domestic consumers was about 500 per cent.; that is, the peak load is about six times as great as the normal demand. In the industrial service, however, the variation is not very great.

Pages 328 and 329, summarized:

The Reserve Gas Company did not desire any more permanent industrial consumers than they already have,

and in line with the policy of the other companies, discouraged industrial consumption. However, in order that the business might yield profits, the Reserve Company found itself compelled to sell some gas to industrials in order to get rid of gas at the time when in spite of specific requirements of the domestic consumers there was still surplus gas.

Page 330:

“Q. The population in the States of Ohio and Pennsylvania that is supplied with natural gas and uses it for domestic purposes,—are you familiar with the conditions under which the gas is thus consumed?”

A. I believe I am.

Q. And will you tell us now, just as graphically as you can, what the effect would be upon those consumers, if from time to time the operation of your lines was interfered with, as you have described by the supplying of gas to other utilities, or industrial consumers, on cold days, in West Virginia, under the provisions of this Act in controversy here?

A. I can't imagine how it would be possible for us to retain our consumers at all, if they were going to be subject to that interrupted service; but I don't think that people would be annoyed by the interrupted service. Another thing,—I think it would be extremely dangerous to have interrupted service. It might be that the gas would go off, practically entirely off, and come on again. It might blow up their houses. And the discomforts that people would undergo, I think they would not be annoyed by it and would put it out of their houses.”

H. A. WALLACE.

Pages 368 and 369 :

"Q. If your company was compelled to supply, under the terms of the proposed legislation, which we are now resisting, an adequate supply to fill the requirements of the domestic, industrial and other consumers of the State of West Virginia, before taking any of the gas outside of the state, what, in your opinion, would be the effect of this upon your ability to transport any gas out of the state?

A. I feel that in a very short time, in cold weather especially, we would have no gas to transport out of the state, and for that reason I do not believe domestic consumers and other people would care to be connected to our lines, if they could only receive a supply of gas during the summer season, and in the winter time, when they absolutely needed the gas for heating and lighting and comfort, to have the supply discontinued, they naturally would not care to use gas for fuel."

Pages 369 ; 370, and 371, summarized :

Under the operation of the West Virginia statute the demand for gas for industrial purposes in West Virginia would so increase that in the course of a year, or a year and a half, practically all the natural gas produced in West Virginia would be sold in that State for manufacturing purposes. This opinion is based upon the applications for gas which have been received by the United Fuel Gas Company from big industries. Filling the requirements of these applications would take between seventy-five and one hundred million cubic feet of gas per day, and if these requirements were satisfied there

would be no gas exported from West Virginia for domestic purposes in winter time. The carbon black industries, which are especially wasteful in their use of natural gas, from the nature of the industry and the way in which natural gas is used therein, and which nevertheless can use natural gas profitably, would resume or recommence the use of gas from which they are at present cut off, with the natural effect of further reducing the amount available for exportation from West Virginia. Further, it would be impossible to construct lines, compressing stations and field equipment in such a way that the demands of other consumers than the industrials could be taken care of, assuming that the requirements of the latter must be met first.

JOHN B. TONKIN.

Page 423:

The Peoples Natural Gas Company also discourages the use of gas by industrial consumers. At one time the industrial supply was almost entirely cut off. Domestic consumers are always given the preference over industrials, who are shut off from the supply of gas at the approach of cold weather or when the pressure in the lines of the company begins to decline. The contract of the Peoples Company with industrials contains a clause much to the same effect as that of the Manufacturers Company, to-wit, that in case of shortage the domestic requirements will be met before the industrial.

The Peoples Company, however, still does supply some gas to industrials, for the same reason as given by Mr. Quay and Mr. Sullivan in regard to the policy of their respective companies; that is, that during the periods of warm weather, when the domestic demand

is very light, it is either necessary to dispose of surplus gas to the industries in order to preserve low rates to domestic consumers, or to shut in their wells altogether. Where fields are competitive, that is, where other gas companies operate in the same district, or where certain large industrial concerns obtain gas from their own territory for their operations, it is not feasible to shut in the wells, since the gas from these wells would no doubt be drained by the operations of the competing companies and by the above named industrial companies owning their own wells. Where, however, the fields are not competitive, the gas wells are actually shut in in preference to supplying industrial consumers.

On pages 437 and 438 it was said:

"Q. How does the industrial gas business keep down the price to the domestic consumers?

A. If we were to depend entirely upon the domestic consumer for our revenues, and he doesn't use hardly any in the summer time, we wouldn't have money enough for operating; it would be necessary to charge him several times the price that he is being charged now, the price for that service."

Pages 423 and 424:

The variation between normal demand and the peak load demand in serving domestic consumers is about 1,000 per cent. The greatest peak load occurs during the winter, and occurs every winter, and the peak load is higher during some hours in the day than during others, both summer and winter, when, for instance, all appliances are turned up to heat houses and cook breakfast.



Pages 428 and 429:

“Q. Now, then, what would be the effect upon the operation of your company, if, under the provisions of the Act of Legislature in controversy here, the Hope Company should be compelled to make connections with other companies to supply their deficit, or should be compelled to supply the demands of the consumers in West Virginia with gas before making deliveries to you? What would be the effect?

A. Well, the result would probably be that on extremely cold days there would be very little, if any, gas come north through the lines connecting with the Hope Company. It would create a situation that would leave us practically without gas, and what little gas we would have left would be scattered around to so many places, and we would have to try to do so much with so little gas, that we wouldn't have any service. It would also create a dangerous situation, where the gas would go out, no doubt, in a number of places. In fact, it would demoralize the operation of the company.”

Page 429:

“Q. Would that demoralization go to the extent of substantially shutting down your operations?”

A. I think that after one winter of that, our consumers would probably want to leave us; that they wouldn't put up with the inconveniences and the suffering that they would have to go through, under those conditions.”

Page 429:

"Q. From your practical knowledge and information as to the operation of natural gas lines, and your familiarity with the Hope Company, by reason of your official connection therewith, what do you say as to those demands, such as I have described, being such as to demoralize or interfere with the whole operation of the Hope Company's system?

A. Well, I know that during my connection with the Hope Natural Gas Company there were a great many requests of other gas companies and other consumers for a supply of gas, and it is my opinion that the demand on their lines would be so great from companies doing business in West Virginia and from industrial plants there, that there would be no gas left in cold weather to distribute to the Peoples Natural Gas Company."

JOHN B. TONKIN.

Pages 445 to 447:

JOHN B. CORRIN.

Pages 326 and 327:

JAMES H. REED.

Page 526:

Under the operation of the West Virginia statute, even eliminating from consideration the increased industrial consumption in West Virginia there would be enough gas taken out of the lines by increasing the do-

domestic consumption and by making other connections to very seriously cripple the service to Pennsylvania and Ohio consumers on cold days.

W. W. FREEMAN.

Pages 458; 475 and 476, and 477, summarized:

In cold weather the Union Gas & Electric Company cuts off industrial consumers, including those owning power plants, entirely. The curtailment of gas by the Union Company to industrial consumers had somewhat ameliorated the condition of existing shortages, although it had not altogether met it. However, it was not practicable to cut industrials from the lines of the company's consumers altogether because the income received from the sale of gas to industrials during the time of light demand by domestic consumers enabled the Company to give domestic consumers lower rates.

JAMES H. REED.

Pages 525 and 526, summarized:

Because the income received from the sale of natural gas to industrial consumers in warm weather, when there was more than enough gas to supply domestic consumers, enabled the Company to maintain lower rates to the domestic consumers, the Philadelphia Company, despite the limited and insufficient gas supply in general, still continued to serve industrial consumers to some extent.

Pages 561, 562, 578, 579, 603, 634, 680, 681, 722, 781 and 793; summarized:

J. E. Angle, of the Fayette County Gas Company; Martin B. Daly, of the East Ohio Gas Company; T. J. Jones, of the natural gas properties of the Pure Oil Company; L. B. Denning, of the Ohio Fuel Supply Company; J. W. McMahon, of the Northwestern Ohio Natural Gas Company, and Eugene P. Whitcomb, of the Union Natural Gas Corporation, all testified that it is the uniform policy of natural gas companies to prefer domestic consumers to industrial consumers and that industrial consumers are supplied with natural gas only during the summer months when there is a surplus available; and, further, they reserve the right in their contracts to and actually do discontinue to industrial users the supply of gas at any time without notice if, in their judgment, that is necessary. These witnesses further state that the Public Utilities Commission of Ohio in its administrative orders to the natural gas companies of Ohio, directs the gas companies in case of shortage, to cut off all classes of consumers other than domestic consumers, to the end that the domestic consumers may have the first and prior right to gas. Regardless, however, of any administrative orders on the part of the Public Utilities Commission of Ohio, the gas companies, as a matter of uniform practice, limit the service furnished the industrials and at all times give preference to the domestic consumer.

Ohio Exhibits Nos. 3 to 9, inclusive (offered page 681), consist of copies of administrative orders of the Public Utilities Commission of Ohio relative to discontinuing the furnishing of gas to industrial consumers in Ohio during the years 1916 to 1920, inclusive. The exhibits appear on pages 1695-1706 of the record.

MARTIN B. DALY.

Pages 587 and 588:

“Q. Mr. Daly, if, under the provisions of the statute in question in this proceeding, the Hope Natural Gas Company were compelled to divert to new or other persons, firms or corporations in West Virginia, than it now serves, a material amount of gas which it has been and is now furnishing to your company for distribution, what would be the effect thereof on the operation of your company, and especially in the cold (ay periods of the year?

A. Any act on the West Virginia authorities that would decrease our present supply would naturally affect the domestic user of gas, inasmuch as we are now facing a shortage of 75,000,000 feet per day, so that any additional amount that might be taken away from the Hope Natural Gas Company would affect our supply to that extent. It is our only source of supply, outside of a small production in Ohio, which we have been unable to increase, notwithstanding active operations and diligent work on the part of the company all the time, seeking an adequate supply there.”

Pages 588 and 589:

“Under those circumstances then, if the authorities in West Virginia, pursuant to the Act in question here, were to divert to persons, firms or corporations in West Virginia for the service of the public, or any part of the public, for all purposes, in the State of West Virginia, a substantial amount of the gas that otherwise would come through the Hope Natural Company's lines to your company, what effect, if any, would that have with refer-

ence to the disorganizing and breaking down or destroying the operation of your Company?

Q. Confine yourself to the question for the moment, please with regard to the extent of the wreckage on your company's service, and the effect on your customers.

A. The effect on our gas consumers would be that they would be obliged to discontinue natural gas altogether. That must be the ultimate result."

Page 611:

The East Ohio Gas Company, supplying, *inter alia*, the City of Cleveland, suffered a shortage of about 60,000,000 feet during the preceding winter. During the winters of 1917 and 1918, 20,000 homes in Cleveland were cut off from any gas at all because of the Company's inability to furnish gas.

Page 606, (Cross-examination):

When the supply of gas furnished by the Hope Natural Gas Company under its contract with the East Ohio Gas Company is reduced by 25 per cent., the supply will be so inadequate for the demands of the business that it would practically be at an end for anything except cooking or lighting. The user will not tolerate a service so inadequate as the company would be able to give under those conditions.

T. J. JONES.

Page 635:

The only source of supply for the Dayton Gas Company is the gas received from the Logan Natural Gas

and Fuel Company, which Company secures the gas from West Virginia exclusively. The supply at Dayton has been inadequate in the winter time to the extent of 50 per cent. of the requirements, if not more.

Pages 635 and 636:

“Q. What would be the result if the supply of West Virginia was cut off further by reason of the enforcement of the Act in question?

A. The Dayton Gas Company, depending entirely upon its supply from The Logan Natural Gas and Fuel Company, which company secures the gas from West Virginia, and having no other source of supply, if the gas was cut off entirely, would immediately have to turn to other fuel. If the gas was only partially curtailed the consumers would have to be limited undoubtedly to cooking, heating water, some lighting and perhaps a little auxiliary heating.

Q. Well, what would be the effect upon your company in a business way, Mr. Jones?

A. The earnings of The Natural Gas Company depend upon the volume of gas which it can sell at the present prices. Either The Dayton Gas Company would have to receive a much larger price for its gas or they would go into the hands of a receiver.”

L. B. DENNING.

Page 672-673:

“A. I understand your question to be what effect the diversion of a substantial amount of the gas received from West Virginia would have upon the opera-

tions and property of The Ohio Fuel Supply Company and the people whom it serves. Is that a correct conclusion?

Q. That is correct.

A. A very disastrous and destructive effect upon both, of course more or less dependent upon the quantity of gas diverted. A substantial quantity diverted would have the immediate effect of disorganizing and disarranging the service to the consumers throughout the state, make necessary the entire elimination of service from a considerable number of consumers, a complete rearrangement of lines, compressing stations and operating conditions of the company and undoubtedly deprive a considerable portion of the people served by the company, of gas service, thereby destroying the investment which they have in appliances, and also, result in a destruction of a considerable portion of the company's property, by reason of the fact that it would no longer be of any value or use in the company's operations, and would not have any value whatsoever, except what might be possibly obtained from a resale or junk or a salvage value. It would necessitate—I think I have already said—a complete elimination or discontinuance of service to a considerable number of consumers."

Page 673:

"A. Last winter during the cold period, the Ohio Fuel Supply Company did not have enough gas from all sources produced or purchased in Ohio, and including the gas delivered to us from West Virginia, to supply cold-weather-demands of its consumers. To divert or discontinue or take away the supply of gas from West Virginia would leave Columbus absolutely with-



out gas; that is, when I say 'absolutely,' I mean without any dependable gas service at all, and to all practical effects absolutely without gas."

Page 674:

"A. The Northwestern Natural Gas Company, as I have said before, is wholly dependent and has been for years, upon the supply of gas produced in West Virginia, and delivered to it by us. Were that flow to be interfered with or to be stopped it would mean total destruction of natural gas service in those communities which it serves."

Pages 674, 675, 677:

If the supply of gas of the Northwestern Natural Gas Company, which is wholly dependent upon gas produced in West Virginia, were to be interfered with or stopped it would mean a total destruction of natural gas service in the communities which this company serves.

It is absolutely essential to natural gas service that there be continuity in that service. The consumer must have the gas coming to him in an even flow at all times for his demands. Any interference with that continuity of service results in disruption and unsatisfactory service to the consumer for the value of gas service to the consumer lies in the continuity of it. The problem of a gas company has always been to supply that instantaneous demand and maintain the continuity of service. To have any considerable or substantial quantity of gas diverted or eliminated from the West Virginia supply means to so disarrange, disorganize and discontinue the service to the consumer as to render it practically worthless to the consumer.

J. W. McMAHON.

Page 721: Summarized:

In 1910 the amount of gas sold for domestic purposes by the Northwestern Ohio Natural Gas Company was just short of 3,000,000,000 cubic feet; for industrial purposes 103,786, 000 cubic feet; total 3,103,695,000 cubic feet. In 1919 the domestic consumption was 5,689,621,000 cubic feet; industrial, 313,948,000; total 6,003,569,000 cubic feet. Similar figures are given for all of the years between 1910 and 1919, showing a rather steady increase from the earlier date to the later.

Pages 724, 725:

If under the operation of the West Virginia statute, the amount of gas that the Hope Company might be able to furnish to subsidiary companies in Ohio were curtailed it would cause great hardship in those communities which these companies serve. If the curtailment in the supply furnished were very extensive it would cause during the winter months almost a total cessation of the supply of gas to consumers and would cause irreparable damage to the people and would be a detriment to their health and dangerous to their property. It is absolutely necessary in the service of gas, if that service is to be dependable and worth while to a consumer, that it flow from a source of supply which is uninterrupted and continuous.

L. B. DENNING.

Pages 711 and 712:

The term "peak load" means the greatest amount of gas which a domestic consumer requires to meet his

needs during extremely cold weather. During cold weather everyone turns on the gas and as a result the demand becomes a peak very much greater and the quantity of gas required is at once increased. This is a seasonable demand, a seasonable peak load which always comes during the winter. It may last for a day or two at a time, or it may last for two or three weeks, depending entirely on weather conditions, which cannot be forecast.

There is also a daily peak load due to the fact that the demand for gas during the day is greatest at the breakfast hour, at noon time and in the evening, when meals are prepared.

EUGENE P. WHITCOMB.

Pages 767 and 768:

"A. We have approximately two and a quarter million feet left in the old Sugar Grove field that would be available for distribution at Sugar Grove. If there was no West Virginia gas delivered at that point, however, there wouldn't be a cubic foot of gas going through this 18-inch line—

Q. Which 18-inch line?

A. The 18-inch line supplying Dayton, the Jantha Light & Heat, and all the service now being supplied in Indiana, also including the City of Lancaster, in Fairfield County, Ohio. Now, as I have stated, there is approximately two and a quarter million feet of gas from the old field, or local field, available to the Logan Natural Gas & Fuel Company, which they are using at the present time.

Q. Where?

A. Distributing to these other towns. I was just about to say that the Logan Company owns its own distributing plant in Chillicothe and at Sugar Grove; and the Circleville plant, owned by the Buckeye Gas Company, being another subsidiary of the Union Natural Gas, is dependent altogether on the Logan Company for its sole supply. In addition to being obliged to discontinue the service altogether from these places mentioned, from the Sugar Grove-Dayton-Indiana lines, the City of Athens, in Athens County, Ohio, is entirely dependent upon West Virginia for its supply; the line being connected to the two 16-inch lines of the Connecting Gas Company, running from the Ohio River to Sugar Grove station. The two and a quarter million cubic feet, to which I have referred as being available in the Sugar Grove field, would be inadequate to supply the service at Circleville, Chillicothe, Sugar Grove and a few other smaller towns in that locality; in fact, there wouldn't be one-fifth of the amount which they require. And in view of the fact that all contracts on the line from Sugar Grove to Dayton and Indiana contemplate and provide for the delivery of West Virginia gas only, and specifically recite the fact that the Union Natural Gas Corporation has available a large quantity of gas in West Virginia, and that they are not entitled to Ohio gas, consequently that two and a quarter million which we have in the local field would not be available for any of that service."

Page 783 (Cross-examination) :

"Q. What would be the effect upon your distribution system, and your supply to your company, if, for any reason, the supply from West Virginia would be-

come intermittent and irregular, sometimes—to illustrate—coming as it is now under your contract and then again being substantially denied to you?

A. It would probably result in the loss of all of the service under the contracts to which I have referred, by reason of being unable to give them a continuous supply. They would probably discontinue the use of natural gas altogether."

J. K. ANDERSON.

Page 824:

Pennsylvania Exhibit No. 33—Anderson, offered page 824 of the record, appearing page 1573: "Estimate of Monthly and Yearly Sales of Natural Gas in West Virginia" to domestic and industrial consumers, respectfully.

"Q. Have you made any computation and estimates of the quantity of gas which the industrial plants in West Virginia would take per year, if they could get a full and continuous supply?

A. I have made two such estimates, based upon the reports of the maximum monthly sales in any one month to domestic and industrial consumers of the twelve largest gas utilities doing business in West Virginia, which reports were made to me in writing by letter. The first show the increased demand per annum in excess of the present sales which the industrial consumers would make upon the utilities by reason of the operation of the act in question, amounting to 98,628,380,000 cubic feet; second, showing the increased sales

per annum of gas which would be made to industrial consumers under the operation of said act, amounting to 55,017,359,000 cubic feet."

(Note: For the manner in which this estimate was reached, see above exhibit.)

Pages 825-826:

"Q. From the figures and estimate which you have made with reference to the increased consumption of industrial gas in the State of West Virginia, under the operation of the Act now in controversy, if it goes into effect, state whether or not, in your opinion, that increased consumption would consume substantially all of the gas produced in West Virginia?

A. It will, within a few years.

Q. Within what length of time would you say?

A. I would say within a year and a half from the date of the effectiveness of the act."

Pages 827 and 828:

"Q. What would be the effect upon the operation of the interstate gas companies, or those transporting gas from West Virginia into the other states, of the enforcement of the provisions of the Act now in controversy, with respect to the transportation of gas from West Virginia into other states?

A. The chief effect upon the large utilities would be to disorganize their operations because of changing the direction and amounts of gas from those for which their plants were designed to meet demands which were

unforeseen, and which, being caused by the deficiency in supply of gas produced by small local companies, would come at times of greatest demand upon their own consumers, this great deficiency in supply to the consumers in other states during extreme cold weather would cause great distress and suffering and be attended with danger of possible death from asphyxiation."

Page 839 (Cross-examination):

The peak load refers more especially to the load placed upon the utility by the demands of the consumers during extremely cold waves and wouldn't cover an entire month.

SAMUEL S. WYER.

Pages 894 to 903; 911 and 912:

Pensylvania Exhibit No. 41—page 1593 of record; offered, page 895 of record; title, "Volume Natural Gas and Per Cent of State's Total Production Exported From West Virginia."

	Billion cu. ft. of gas exported:	What per cent. of gas pro- duced in W. Va., was exported:
1906	62	50
1907	65	54
1908	62	55
1909	95	58
1910	120	63
1911	132	64
1912	151	63
1913	154	63
1914	150	63
1915	154	63
1916	194	64
1917	193	64
1918	156	60

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Pennsylvania Exhibit No. 42—page 1394 of record; offered, page 897 of record; title: "Billion Cubic Feet Natural Gas Consumed per Million Population in West Virginia, Ohio and Pennsylvania."

	Pennsylvania	Ohio	West Virginia
1906	22	17	52
1907	22	18	55
1908	22	19	57½
1909	22	21	60
1910	22	22	63
1911	20	23	64
1912	22	27	75
1913	22	27	74
1914	20	27	71
1915	22	27	70
1916	23	32	76
1917	23	32	81
1918	20	27	75

Pennsylvania Exhibit No. 43—page 1395 of record; offered, page 897 of record; title, "Total Natural Gas Consumed Annually per Domestic Consumer in West Virginia, Ohio and Pennsylvania."

	Annual volume in thousand cubic feet consumed in Ohio.	Annual volume in thousand cubic feet consumed in Pennsylvania	Annual volume in thousand cubic feet consumed in West Virginia.
1906	230	590	1070
1907	220	550	1000
1908	190	440	860
1909	220	550	1060
1910	230	525	890
1911	195	470	925
1912	195	500	1010
1913	190	440	950
1914	190	400	885
1915	190	400	820
1916	200	430	850
1917	185	420	880
1918	165	370	855



Pennsylvania Exhibit No. 44—page 1596 of record; offered, page 897 of record; title, "Industrial Natural Gas Consumed Annually per Domestic Consumer in West Virginia, Ohio and Pennsylvania."

	Annual volume in thousand cubic feet per domestic con- sumer consumed in Ohio	Annual volume in thousand cubic feet per domestic con- sumer consumed in Pennsylvania	Annual volume in thousand cubic feet per domestic con- sumer consumed in West Virginia
1906	150	440	925
1907	110	400	825
1908	85	340	685
1909	105	420	890
1910	100	380	730
1911	100	340	770
1912	100	360	835
1913	100	325	800
1914	100	280	720
1915	100	280	665
1916	100	320	700
1917	75	280	720
1918	50	245	685

Pennsylvania Exhibit No. 45—page 1597 of record; offered, page 898 of record; title, "Domestic Natural Gas Consumed Annually per Domestic Consumer in West Virginia, Ohio and Pennsylvania."

	Annual volume in thousand cubic feet per domestic con- sumer consumed in Ohio	Annual volume in thousand cubic feet per domestic con- sumer consumed in Pennsylvania	Annual volume in thousand cubic feet per domestic con- sumer consumed in West Virginia
1906	110	150	180
1907	115	150	180
1908	100	140	170
1909	115	135	157
1910	125	130	165
1911	100	120	160
1912	105	140	170
1913	95	120	160
1914	100	120	160
1915	100	120	160
1916	100	120	150
1917	120	140	170
1918	110	125	170

Pages 905 and 906 :

“Q. What is the number of towns that would be affected outside of West Virginia by diminishing or inhibiting the transmission of gas from West Virginia to those respective towns.

A. About 650.

Q. And what number of consumers would be likewise affected?

A. Over a million.

Q. And what population?

A. Over five million.”

Page 909 :

“Q. What do you say as to the maintainance of gas pressures in the lines to suit the operating conditions of the lines from West Virginia to the various points of consumption outside of the State, even to the remotest point?

A. The pressures maintained in West Virginia must be such as will properly feed into the transmission scheme as a whole, and must be subordinated to the operating conditions necessary to deliver gas to the various communities en route along the various transmission lines going out of the state.”

Pages 909 and 910 :

“Q. What would be the effect of making physical connection in West Virginia between those interstate lines and local lines or communities, as is provided for in the statute now under discussion, as to the service on the lines of such interstate companies?

A. The immediate practical effect of making such connections would be to demoralize in all cases, and in many instances destroy entirely, the interstate service for natural gas transmission, in towns outside of West Virginia.

Q. Will you explain this a little more fully, and tell us why this result would follow?

A. For instance, in gas transmission, the gas is not only the commodity that is being transmitted through the line, but it is within itself endowed with an inherent energy for propelling itself along the line by

virtue of its own expansion. That is, the gas flow in these interstate main transmission lines is always by expansion. The gas is never pushed forward like a plug of incompressible fluid, like water or oil, and any disturbance or any removal of gas by diverting part of that gas out of the line, has the effect of not merely lessening the flow, but disturbing the transmission conditions all along the line. This, for instance, is in marked contrast to what can be done with other commodities. For instance, a train of coal cars starting in West Virginia for Toledo, Ohio, the train itself has no physical connection and no dependence on other trains ahead or behind it. Each train goes along as an independent unit, and each car on the train is an independent unit. The shunting off in West Virginia of one or more coal cars from such a train would not in any way affect the other cars en route or the other trains en route. However, the shunting off from an interstate transmission line of a certain amount of natural gas would not only bring about a shrinkage in volume by an amount equal to that so removed, but may so disturb the pressure conditions as to demoralize the transmission conditions all along the line.

Q. What would you say as to the interstate service, such as is now being supplied, being possible when and if such connections are made from time to time, for uncertain quantities at unexpected and unprovided for times, to meet the shortages that might occur in the State of West Virginia, and which these companies engaged in interstate transmission of gas would be called upon to supply under the terms of the Act in controversy?

A. If the diversion were done to any extent at all, it would result in demoralizing all such service and ultimately destroying it entirely."

Page 911 :

“Q. Would it be possible as a practical operating operation to rearrange these transmission lines or reconstruct the same, so as to provide for the contingencies possible under the operation of the Act in controversy, say in West Virginia?

A. It would not, for the very simple reason that the enforcement of this Act would merely kill all interstate shipments of natural gas out of the State of West Virginia.

Q. If there should be supplied to all the industrial, domestic and other consumers in the State of West Virginia an adequate supply of natural gas before the same were transmitted outside of the State, what would be the effect as to the quantity of gas, if any, that would be left for transmission outside of the state?

A. There wouldn't be any left to transmit.”

Page 914 :

“Q. If you can't give us any figures, can you give us an estimate of what would be the effect upon the public, such as domestic consumers and their families, in the other states than West Virginia, of the enforcement of this statute, referring to those who are now using natural gas as fuel?

A. It would deprive all such consumers of natural gas service.”

Pages 914 and 915 :

“Q. if the companies engaged in the business of

supply gas from West Virginia to the communities in other states, as has been described, should not adopt the policy of cutting off all such service under the operation of this act, and of notifying the consumers to discontinue all such consumption, and continued their business as now, taking their chances under the operation of this Act, what would be the effect, in your opinion, as a natural gas expert and with your knowledge of the situation, upon the health and life and comfort of those domestic consumers who are using natural gas in other states, transported from West Virginia?

A. I do not believe that in the operation of the Act any one of those interstate lines would attempt to use natural gas, for the simple reason that there wouldn't be any, so the effect on health would be that they would have to get other fuel for heating and cooking, and something else for lighting. As far as convenience is concerned, there is nothing they could get that would be in the same class with the natural gas of which they had been deprived. That is, to state it this way, the operation of this law in West Virginia for most of these towns depending on these interstate lines, there would not be left any twilight zone for discussion. The gas would all stay in West Virginia."

Pages 969 and 970 (Cross-examination):

" \* \* In answering the questions on direct examination, in regard to the effect of the enforcement of the West Virginia Act, with which we are concerned in this case, did you have in mind that under the operation of that statute, every person in West Virginia who desired to consume natural gas for domestic or industrial purposes, would be entitled to, and would, in fact,

demand and consume all of the natural gas which he desired as long as there was any natural gas produced in the state?

A. The enforcement of the act in question would immediately bring about a condition where, in the immediate future, the demand solely within the State of West Virginia for natural gas would be greater than the available supply, and there would be no gas left for interstate transportation through the main lines now going out of the state."

Pages 970 and 971:

"Q. Have you figured or formed any estimate in figures of the amount of increased demand from the Hope Natural Gas Company under this statute for domestic uses or industrial uses and by reason of physical connection of local Gas Companies?

A. The increased demand for domestic gas in West Virginia would be negligible. Practically all of the gas would be used in industries; that is, the gas that now goes out of the state, if you were to hold that within the state, there would be very little difference in the amount of that that would go to the domestic consumer. You are now using very much above the average per domestic consumer and practically all the gas that now goes to export would be used by industries within the State."

H. E. NEASE—WITNESS FOR DEFENDANT.

Page 993:

There has been a considerable decrease in the amount of gas used in the manufacture of carbon black within the last two years.

**CHARLES E. KREBS—WITNESS FOR DEFENDANT.**

Pages 1099 to 1101; 1104 and 1105; 1113; 1130 and 1131 and 1137:

The gas used in making carbon black was generally located at some isolated field or place, that is, some distance away from a market where it could be consumed. The gas used is usually very light pressure gas, of much lower pressure than could be transported through pipes of its own accord. Most of the industries engaged in the manufacture of carbon black produce the gas for that purpose from their own wells. Carbon black is manufactured in West Virginia, Oklahoma, Louisiana and Pennsylvania. It is used for printers' ink, automobile tires, black and gray paints, ships, structural iron, carbon paper, typewriter ribbons, phonograph records, etc. There are from forty to forty-three million pounds of carbon black manufactured in the United States annually, about three-fourths of which quantity is manufactured in West Virginia for foreign consumption.

**F. C. DEVERICKS—WITNESS FOR DEFENDANT.**

Pages 1327 and 1328, and 1348 to 1350:

Most of the carbon black factories in West Virginia have been, or are being, dismantled. Gas producers have come to look upon the use of natural gas in the carbon black industry as wasteful, and consider the gas more valuable for use by domestic consumers and have ceased supplying carbon black industries.



**R. T. CUNNINGHAM—WITNESS FOR DEFENDANT.**

Pages 1226, and 1229 and 1230:

Owing to the success enjoyed by various gas companies in West Virginia in obtaining high rates, the West Virginia industrial consumers will be automatically prevented from going on a "gas spree" or "debauch," even under the operation of the West Virginia statute. The increase in rates already has had this effect in the reduction of the consumption by both domestic and industrial consumers in West Virginia, as have had the various shortages which have occurred,—because of which some industries have gone over to the use of other fuels. In the City of Fairmont and vicinity, it is estimated that the gas which will be used in that district in the future will not exceed the amount of gas used in the year 1916, assuming that the Owens Company would continue to use its producer throughout the year.

**F. C. DEVERICKS—WITNESS FOR DEFENDANT.**

Pages 1345 and 1346:

The price of industrial gas is 40 cents a thousand feet in Clarksburg at the present time, which is considered almost prohibitive for manufacturing purposes, and the high rate has considerably curtailed its use. In view of this fact and of the further fact that a number of industries have gone over to the use of other fuel, it is estimated that the future consumption of gas by industries in the Clarksburg district will be considerably less than it was in 1914 and 1915 (during and after which years the shortages in gas developed).

IX.

THE EFFECT OF THE OPERATION OF THE WEST VIRGINIA STATUTE WILL BE A DISCRIMINATION IN FAVOR OF THE CITIZENS OF WEST VIRGINIA AND AGAINST THE CITIZENS OF PENNSYLVANIA AND OHIO AND OTHER STATES WHO ARE DEPENDENT UPON THE GAS EXPORTED TO THEM FOR FUEL FOR HEAT AND LIGHT BY THE COMPANIES PRODUCING GAS IN WEST VIRGINIA, AND SUCH RESIDENTS OF PENNSYLVANIA AND OHIO AND OTHER STATES, BOTH DOMESTIC AND INDUSTRIAL CONSUMERS, WILL SUFFER PECUNIARY LOSS AND THE LIVES, HEALTH, SAFETY, COMFORT AND CONVENIENCE OF DOMESTIC CONSUMERS WILL BE AFFECTED.

T. O. SULLIVAN—Page 205:

JOHN B. CORRIN—Pages 349 and 350:

H. A. WALLACE—Page 400:

JOHN B. TONKIN—Page 420:

W. W. FREEMAN—Pages 478 and 479:

JAMES H. REED—Pages 497 to 500:

The testimony of these witnesses may be summarized as follows:

Many communities in Pennsylvania, Ohio and other States are dependent on natural gas for fuel and light, although some are served with electricity. The Hope

and Reserve Companies supply large towns ranging in population from 10,000 up to 60,000, and even cities as large as Pittsburgh, with natural gas. There are a number of such towns and cities upon the lines of the above mentioned companies. In a number of the larger cities, however, such as Pittsburgh, Greensburg and Altoona, there are plenty of houses using electricity (pages 440 and 441). Cincinnati use natural gas for lighting purposes to a considerable extent.

J. E. ANGLE—Pages 534 and 552:

MARTIN B. DALY—Pages 572 and 573; 574, and 577:

T. J. JONES—Pages 635; 636, and 643:

L.B. DENNING—Pages 654; 656; 672 to 674, and 677:

J. W. McMAHON—Pages 718, and 721:

EUGENE P. WHITCOMB—Pages 752 and 753;  
766 and 767; 769, and 787:

J. K. ANDERSON—Pages 819 and 820; 821, and 823:

SAMUEL S. WYER—Pages 907; 908; 951 and 952:

SUMMARY OF TESTIMONY OF ABOVE  
WITNESSES:

The Fayette County Gas Company supplies gas to various towns and cities in Westmoreland and Fay-

ette Counties, Pennsylvania, and the source of this gas at present is the Hope Company operating in West Virginia and the gas supplied by it to the Fayette Company is West Virginia gas.

In various cities of Ohio there are about 475,000 people dependent on the natural gas supplied them by the Pure Oil Company, which secures its supply of gas from West Virginia. This figure of 475,000 includes the entire population of the towns of Columbus, Springfield and the suburbs. The Dayton Gas Company purchases or secures its entire supply of gas from the Logan Natural Gas & Fuel Company, and as the Logan Company secures its gas from West Virginia the Dayton Company is entirely dependent for its supply of gas upon that which is secured from West Virginia. The City of Dayton, Ohio, is dependent for its entire supply of gas upon West Virginia.

The domestic consumers of the Ohio Fuel Supply Company are dependent upon natural gas for cooking, water heating and lighting. The two general sources of supply of gas for the Ohio Fuel Supply Company are Ohio and West Virginia. The Northwestern Natural Gas Company is wholly dependent, and has been for years, upon the supply of gas produced from West Virginia, and if that flow were interfered with or stopped the communities which this Company serves would have no natural gas service.

The Northwestern Ohio Natural Gas Company supplies about 250,000 people in various cities and towns with natural gas.

The Natural Gas Company of West Virginia serves 324 domestic consumers in Pennsylvania.

The Union Natural Gas Corporation and its subsidiary companies supply many consumers in Ohio with natural gas. The City of Lancaster, in Fairfield County, Ohio, is wholly dependent on West Virginia gas. The Union Natural Gas Corporation and its subsidiary companies have contracts with the Dayton Company and the Central Indiana Company providing for the delivery to these companies of West Virginia gas exclusively. The Logan Natural Gas & Fuel Company supplies, both directly and indirectly 364,949 consumers with West Virginia gas.

There are a great number of domestic and industrial consumers in both Pennsylvania and Ohio who are dependent upon West Virginia gas. About 40 per cent. of the total consumption of natural gas by domestic and industrial consumers in Pennsylvania is supplied by gas imported from the State of West Virginia.

There are 650 municipalities in Ohio, Pennsylvania, Kentucky, Indiana and Maryland that depend entirely on West Virginia for their supply of natural gas and have no other gas supply.

MR. WALLACE, of the United Fuel & Gas Company; pages 371 and 372:

MR. TONKIN, of the Peoples Company, pages 417, 421, 422, 423, 428, 431, 433, 434, 438, 439, 441 to 443:

MR. FREEMAN, of the Union Light, Heat & Power Company; pages 475, 479 to 481.

JUDGE REED, of the Philadelphia Company; pages 506 to 508, 522 to 525:

J. E. ANGEL, of the Fayette County Gas Company; page 558:

MARTIN B. DALY, of the East Ohio Gas Company; pages 571 to 574, 597:

T. J. JONES, of the Natural Gas Properties of Pure Oil Co.; pages 639 to 640:

L. B. DENNING, of the Ohio Fuel Supply Company; pages 697 to 698; 702 to 705:

J. W. McMAHON, of the Northwestern Ohio Natural Gas Company; pages 727 to 728:

EUGENE P. WHITCOMB, of the Union Natural Gas Corporation; pages 764, 795 to 796, 800, 805:

J. K. ANDERSON, Consulting Engineer, Clarksburg, W. Va; pages 822, 834 to 835, 854, 855, 856, 858:

The above references to testimony may be summarized as follows:

All the companies above mentioned are experiencing the same difficulty in obtaining a sufficient gas supply. Moreover, the supply is constantly decreasing as the fields decline. The production of the Peoples Company fell off 15% in 1918-1919 despite the expenditure of over a million dollars in drilling additional wells and the company has been put to the use of compressing stations to get gas from the McKeesport field. A regular decline of 15% each year is looked for from now on. Shortages in winter have been severe. The discovery of new gas territory seems to be exceedingly im-

probable. One method used in the attempt by the companies to counteract the shortage of gas has been the preaching of economy to consumers. Whether the West Virginia statute be enforced or not, a condition of the most complete exhaustion of gas or at least the limitation of gas service to cooking stoves, hot water heating appliances and so on, is looked for. There is every prospect that the decline in gas supply will continue until the state of practically complete exhaustion is reached.

All the above refers to conditions in the three States of Ohio, Pennsylvania and West Virginia. The possible solution of the decline in natural gas lies in the restriction of natural gas to domestic consumers, the increase in price for gas supplied to domestic consumers, and contracted area service by natural gas companies.

MR. QUAY, Manufacturers Heat & Light Company;

pages 22 to 23, 29:

MR. SULLIVAN, Hope and Reserve Natural Gas

Companies; pages 210, 211, 279 to 280, 296:

MR. CORRIN, of the Reserve and other Gas Com-

panies; pages 327, 328, 334 to 335, 336:

MR. WALLACE, United Fuel Gas Company; page 372:

MR. TONKIN, Peoples Natural Gas Company;  
pages 420, 439:

Mr. FREEMAN, Union Gas and Electric Company;

page 454 :

JUDGE REED, Philadelphia Company ; pages 522

to 525 :

J. E. ANGEL, Fayette County Gas Company ; page

558 :

MR. DENNING, of the Ohio Fuel Supply Company ; pages 671, 673 :

MR. WHITCOMB, Union Natural Gas Corporation ; page 767 :

MR. J. K. ANDERSON, Consulting Engineer, Clarksburg, W. Va. ; pages 821, 856, 859 :

MR. S. S. WYER, Consulting Engineer, Columbus, Ohio ; page 947 :

The above references to testimony may be summarized as follows :

With the exception of the unlooked for discovery of the large McKeesport field in Pennsylvania there have been no notable discoveries of new gas territory in either Pennsylvania or Ohio for the last five years, nor is there any prospect that in the future new gas territory will be found in those two States. The companies make constant efforts to find new gas territory but meet with very little encouragement or success. Harrison and Gilmer Counties in West Virginia are practically completely drilled up. There is a possibility of finding additional gas territory in West Virginia but none in Indiana,



Pennsylvania or Ohio. The cities of Columbus and Lancaster, in Ohio, are wholly dependent on West Virginia gas.

Summing up the situation it seems that there are no known fields still unoperated in any section tributary to Pennsylvania and Ohio other than in West Virginia.

HARRY A. QUAY.

Page 29:

“Q. Are there any known gas fields outside of those now occupied and in use, within any reasonable distance from the territory supplied by your company and other companies in this district, that are available, from which to obtain a gas supply?

A. None that I know of.

Q. Are there any fields tributary to the cities and towns now being supplied by the companies which you have named, which are not now being developed and occupied by the various gas producing companies?

A. I know of no such fields. The territory adjacent to practically all of the large centers where natural gas is being supplied has been drilled and tested to a very considerable extent; so that it does not seem to us that any large fields are likely to be discovered in proximity to those centers of population.”

JOHN B. CORRIN.

Pages 327 and 328:

"Q. Now, what are the facts as to the knowledge of new fields or not, new gas fields?—Whether or not there are any available for supplying the consumption of natural gas in the present territory supplied with natural gas?

A. Well, I know that not only our own companies, the companies with which I am identified, the Hope and the Reserve, but all other companies, are using extreme efforts to find new fields, and have been for the last five or ten years, especially the last five years—they have used every effort and I don't know of any new field in the last five years that has been discovered that amounts to anything, outside of this McKeesport field,—by any of the companies that amount to anything. • • • "

J. K. ANDERSON.

Page 821:

"Q. Now, do you know of any other fields than West Virginia fields of natural gas which are tributary to Pennsylvania, outside of what is produced in Pennsylvania itself, from which a supply of natural gas for consumers could be obtained?

A. I do not."

MR. QUAY: pages 15, 48, 55, 132, 133:

MR. SULLIVAN: pages 214, 221, 222, 295:

MR. CORRIN: pages 326, 330, 344:

MR. WALLACE; pages 368, 369, 370, 371:

MR. TONKIN; pages 429, 434 to 435, 440:

The testimony of the above witnesses may be summarized as follows:

Under the operation of the West Virginia statute, resulting as it would in cutting off the supply of gas on consumers in Pennsylvania and Ohio, the health and safety of those domestic consumers will be greatly affected. Such consumers would suffer seriously from the deprivation of the fuel which at present affords them heating, cooking and lighting facilities. Injury to their health would follow, especially in the winter months, because homes could not be properly heated to offset the effects of cold weather and because of the lack of facilities for cooking meals. Danger would ensue from the fact that an intermittent gas supply creates the possibility of explosions and fires in that, upon a decrease of gas pressure, fires and lights are extinguished but the valves are left open, and when the gas pressure is increased sufficiently to create a flow of gas to these homes the gas coming through the open valves in full force creates a possibility of asphyxiation or explosion in the houses.

HARRY A. QUAY.

Pages 47, 48:

“Q. If this Bill should go into effect and be enforced in the State of West Virginia, from your knowledge of the conditions in West Virginia, the operation of your lines, and the demands that would be made thereon from time to time by others in accordance with the

provisions of this Statute, what would be its effect, or the effect of such enforcement of the Act upon the operations of your company, with respect to transporting gas from West Virginia into other States?

"A. \* \* \* It would create, from an operating standpoint, a very, very dangerous situation. I know of no condition in the industry which bothers, or is more dangerous to, life and property than a shortage existing in your system. Consumers, when a shortage occurs, naturally desiring to keep warm and to utilize the gas, open, for instance, their valves wide, in order to obtain as much gas as possible; and sometimes they leave the home and go to purchase something, or go to theatres, they leave the house for various reasons, leaving the gas regulated perhaps with the valves wide open; there is a lull or decrease in the demand placed upon the company, and your pressure begins to pick up, the flame in the stove becomes stronger, more full,—in many instances, when the pressure regains normal, the flame is coming out over the consumer's stove, creating a blaze which sets his home afire. At other times people might go to bed, permitting the heating stove to burn in their home; perhaps the pressure declines and the flame becomes extinguished; the pressure naturally increases at night after people have gone to bed, because a great many people have a habit of restricting the amount that is used from the midnight hours; the pressure accumulates, and the gas comes back into the consumer's home, into his room, and asphyxiates him. There is no situation so critical, I consider, as an insufficient supply of gas which is liable to go completely out and then come back on at unknown times."

Page 133 :

Natural gas is peculiarly adapted for the purposes of cooking, lighting and hot water heating. Coal or electricity is not so convenient a fuel as a substitute for the reason that gas is cheaper and involves a great deal less labor. The same objections apply to gasoline and oil and to artificial gas. The use of natural gas for heating the homes is not so essential as the use of natural gas for the other purposes above mentioned, and due to the shortage in gas and the decline in the supply, the time may come when the amount of natural gas used for heating purposes will perhaps be restricted.

T. O. SULLIVAN.

Page 214 :

"Natural gas service, in order to be at all satisfactory, has to be practically a continuous service. \* \* \*  
\* \* if the service is intermittent and unreliable it creates a very dangerous condition. The fact that gas would have to be discontinued on short notice, and then might be turned back into the lines again on short notice, would create a very dangerous and unsatisfactory condition \* \* \* \*"

Pages 221, 222 :

"Q. \* \* \* I wish you would state a little more fully what you mean by dangers to life and health and so forth of the domestic consumers on your line who are dependent upon gas transported from your lines and delivered to these other companies for the supply of domestic consumers, in the event of your being compelled upon orders of the Public Service Commission or otherwise, to give preference to industrial consumers and others in the State of West virginia? \* \* \*

"A. The danger is caused by the decline in the pressure, which will occur if any large quantities of gas were diverted from places where it was being used. It many times will occur that people are away from home, and they leave certain fires or lights burning in their homes. If the pressure drops to a pressure that some of those fires or lights became extinguished, and then came back on slightly again, there would be an escape of gas into the buildings, which would cause explosions, or might cause loss of life to people who were in the buildings. If this were to occur at night—people frequently retire leaving certain fires and lights burning—and if anything should occur during the night whereby those fires and lights were extinguished and the gas escaped into the rooms, it would be very dangerous and might ignite and cause explosions that would do almost unlimited damage. It would be impossible to estimate what a condition of that kind might bring about."

Page 295 (Cross-examination) :

"Q. With reference to the fact of a shortage in the gas supply upon domestic consumers in the States of Pennsylvania and Ohio, have you any reason to think that the inconvenience and suffering occasioned to the consumers in those States would be any different from the inconvenience and suffering caused to consumers in West Virginia by a like shortage?

"A. I have not, if the same conditions existed in West Virginia."

JOHN B. CORRIN.

Page 326 :

"Q. What would be the effect upon the practical operation of the lines of the Reserve Natural Gas Company, if it were compelled from time to time, especially on the coldest days or periods of winter, to make connections with and supply other public utilities in the State of West Virginia than those with which it had contracts, and for which it had made provisions?

"A. First, it would be very dangerous. I do not see how it would be possible to operate any gas system of lines if you could not determine the amount of gas that was going to go through those lines and have some person or city, or otherwise, take gas off of the line before it reached your consumers. \* \* \*

Page 330 :

"\* \* \* Another thing,—I think it would be extremely dangerous to have interrupted service. It might be that the gas would go off, practically entirely off, and come on again. It might blow up their houses. \* \* \*

Page 344 (Cross-examination) :

"Q. In your testimony touching the danger to the consumers, where the gas supply is furnished irregularly and interruptedly, you do not mean to confine those dangers to the consumers in Ohio and Pennsylvania, do you?

"A. Oh, no, no.

“Q. There would be equally as much danger to any consumer in West Virginia, who received the same character of service?

“A. Depending on where they were located; but there is more danger in Ohio and Pennsylvania, because there are so many more consumers.

“Q. It is a matter then of percentage?

“A. And location.”

H. A. WALLACE.

Pages 368, 369:

“Q. If your company was compelled to supply, under the terms of the proposed legislation, which we are now resisting, an adequate supply to fill the requirements of the domestic, industrial and other consumers of the State of West Virginia, before taking any of the gas outside of the state, what, in your opinion, would be the effect of this upon your ability to transport any gas out of the State?

“A. \* \* \* It would be absolutely dangerous, as I understand the method supposed to take care of this measure; in as far as you would be called upon at most any hour for a large supply of gas, it would necessarily take the gas away from the lines leading into the other States; providing that happened at night or at times the people were away from home, the gas would go out, no doubt, in their homes, if these parties were shut off in the meantime; and before they returned or got up, the pressure would be increased in their lines, and the gas would flow through and come into their



houses, and it would not be lit, and there would be danger of asphyxiating the people, and also of blowing up their houses and killing any number of people. \* \* \*

Page 371 :

"\* \* \* and it would be very dangerous to endeavor to heat or cook with it, especially to heat with it, on account of the supply being possibly taken away from them during the night time when they were asleep, and coming on again and allowing the gas to flow into the residence when there would be no light to ignite it; and under these conditions, of course there is great danger of asphyxiating a large number of people, providing there was some little light in the house that had not gone completely out, the gas would ignite and explode and blow up the building. Or, providing somebody came into the house and lit a match, not being familiar with what might occur in the gas business the same thing would happen—blow up the building and possibly kill numerous people, and it would be a very dangerous and hazardous business."

JOHN B. TONKIN.

Page 429 :

"Q. From your practical knowledge and information as to the operation of natural gas lines, and your familiarity with the Hope Company, by reason of your official connection therewith, what do you say as to those demands, such as I have described, being such as to demoralize or interfere with the whole operation of the Hope Company's system?

"A. Well, there is a very great danger when the gas goes out in a house, to the safety of the consumer and

the safety of his property; because if he is asleep or happens to be away, or something of that kind—particularly if there is one light that happened not to go out, the gas would come back on and fill the house with gas, and an explosion would be bound to occur. There is always that danger; that is one danger,—of the gas going out and then coming back on again before the valves are shut off.

“Q. Well, would the cessation of the supply such as has been described, result in such an intermittent supply of gas as to produce those conditions?”

“A. There is no doubt about it in my mind.”

Page 435 (Cross-examination) :

“The conditions are the same in one State as another, in case of a shortage.” (In regard to effect on health and life of domestic consumers).

MR. QUAY; pages 21, 22, 56, 67, 68, 133 :

MR. SULLIVAN; pages 205, 206, 220, 295, 296 :

MR. CORRIN; pages 330, 331, 334 :

MR. WALLACE; pages 372, 373, 400, 402 :

MR. TONKIN; pages 422, 434, 435, 440, 441 :

MR. JONES; pages 633, 634 :

MR. DENNING; pages 677, 678 :

MR. McMAHON; pages 723, 724 :

MR. ANDERSON; pages 819, 820, 829, 855:

MR. WYER; pages 907, 913, 914, 915, 964:

The testimony of the witnesses above referred to may be summarized as follows:

Most of the homes in Pennsylvania and Ohio housing consumers at present using natural gas as a fuel for heat and light were constructed with a view thereto; that is, the heating, cooking, and sometimes lighting appliances are adapted for the use of natural gas and natural gas only as fuel. Other fuel cannot be used in those appliances and the homes do not contain arrangements for using any other fuel.

If, then, as a result of the operation of the statute, natural gas cannot be obtained by such consumers for use as a fuel for the above purposes, other fuels, which are more expensive to the consumer, will have to be used with the result that it will be necessary to install other appliances. This will further involve the reconstruction of those houses in the installation of cook stoves and heating furnaces and the enlargement of old flues and chimneys or installing new ones. The average cost of such reconstruction or installation to each domestic consumer in Pennsylvania and Ohio will be from \$200 to \$300, and the aggregate loss thereby occasioned may be determined by the simple process of multiplying such average cost by the number of consumers dependent on West Virginia gas whose houses were so constructed.

HARRY A. QUAY.

Pages 21 to 22:

“Q. Where dwelling houses have been constructed with the burning of natural gas as a fuel in view, and with natural gas appliances installed therein, what are the facts as to whether or not, to introduce other fuel, it is necessary to reconstruct such houses?

“A. I know of many that it would be necessary to reconstruct. I mean by that that some of the houses are built without flues or chimneys. To burn coal or wood it would be necessary that flues be constructed and certain changes made in the homes.

“Q. And in those houses which have been constructed with the intention of using natural gas as fuel, where there are flues and chimneys, what are the facts as to the sizes of those flues and chimneys for other fuel?

“A. I know of quite a few that the flue inside the chimney is restricted to such small size that coal cannot be burned successfully,—that is, the smoke comes out into the rooms. It would be necessary for them either to tear those down or reconstruct in some manner, and make a larger flue or drafts for the burning of coal or other fuel.

“Q. From your experience and knowledge of the business and observation in those towns or cities, in which natural gas was used as a fuel, and in which there have been large construction of houses during the last few years, especially five or ten years ago, were those houses built solely with reference to the burning of gas? Or were they planned and built with reference to the use of other fuel as well—What was the custom?

"A. A great many of them were built for the sole purpose of burning gas. Now, that situation perhaps has changed in the last two or three years. Previous to that time the supply of gas was very good, but for the last three or four years, our company, as well as other companies in this vicinity, has been unable at all times to supply the full requirements of their consumers, and shortages have occasionally occurred. This has brought attention to the fact that natural gas is not going to exist forever and that they might be called upon at some time to substitute other fuel in the immediate future.

"Q. And that is what has brought about then the change in the methods of construction to which you have referred?

"A. Yes, sir."

(Cross Examination).

In the event of gas shortage or deprivation of gas supply in West Virginia, there would be as much and similar necessity for reconstructing houses at present adapted to the use of natural gas as there would be under similar circumstances in Ohio and Pennsylvania.

JOHN B. CORRIN.

Page 330:

"And in addition, I do know there are thousands of houses in this vicinity and other vicinities, that would have to be, as far as the flues are concerned, reconstructed before they could put other fuel in."

H. A. WALLACE.

Page 372 :

"Q. Take the consumers upon your lines in West Virginia and Ohio and Kentucky; what are the facts as to special appliances being necessary to be installed for the purpose of burning natural gas instead of other fuel?

"A. They have to have, all domestic consumers, special appliances for using natural gas."

Page 402: (Cross Examination) :

The necessity for reconstruction of houses in West Virginia under conditions of gas shortage in that State would be similar to that in Pennsylvania and Ohio under the same conditions.

J. K. ANDERSON.

Pages 819, 820 :

"Q. When natural gas is used as a fuel in dwelling houses, and also industrial plants, is it necessary to construct the houses and plants specially adapted to the use of gas as compared with other fuel?

"A. To burn gas economically, it is necessary to have your house equipped with proper service and house piping between the floors and walls of dwellings, and to use efficient appliances, also to construct suitable flues to carry off the products of combustion.

"The natural gas appliances cannot be used for burning any other fuel. Many houses are equipped with

flues which are sufficient to carry off the burned gases, but are insufficient to carry off the increased volume of smoke and burned gases from coal.

"It would be necessary to largely reconstruct a great number of those houses at heavy expense, to equip them to use other fuel. Often it would be necessary to increase the size of flues with which the house was originally equipped, and frequently to build a large flue of sufficient capacity to take care of the products of combustion from large coal-heating furnaces, which are extensively used in heating residences."

T. J. JONES.

Pages 644, 645: (Cross Examination):

Many of the houses which at the present time are equipped for the use of natural gas were built prior to the furnishing of natural gas as fuel and were built for the purpose of using coal, and many of the houses that have been since built have put in furnaces for the use of coal and some of which have been used or equipped for the purpose of using gas as a fuel by putting gas burners on them and many of them were using coal and have been using coal from the beginning.

L. B. DENNING.

Page 677 to 678:

" \* \* \* The effect of that (to have any considerable quantity of West Virginia gas diverted) upon the consumer direct is that he must turn to some other form of fuel, either gaseous or solid, to supply that need. If he turns to a gaseous fuel the only remedy he has, and the only thing he can have is a manufactured gas.

He will not get the service from the manufactured gas that he gets from natural gas for the reason that the B. T. U. content of the artificial gas is rarely more than one-half of the B. T. U. content of natural gas. If he turns to solid fuel he then has the complete elimination of his present fixtures and appliances, the readjustment of household conditions, and with the further added inconvenience of the dirt and annoyance and the necessity of cleaning out ashes \* \* \*.

If he turns to the manufactured gas he can, to a limited extent, use the fixtures and appliances for cooking that he has now with some modification and adjustment at some expense."

S. S. WYER.

Page 964: (Cross Examination):

As to the necessity for reconstruction or conversion of homes at present constructed for the use of natural gas as fuel, in the event that it becomes necessary to use other fuel the same conditions would obtain in West Virginia as in Ohio and Pennsylvania.

HARRY A. QUAY.

Page 56:

"I would say that I consider it would cost those consumers on an average of at least \$200 per consumer, to substitute other fuel for the purpose of cooking, heating and lighting their homes. In making that estimate, I took into consideration the fact that last fall I put in substitute heating appliances, in my home, which cost me two hundred and approximately seventy-



five dollars for my heater and the accessories; wiring my home for electric lights, the total expense was approximately \$250. I secured prices on coal cook stoves; one cannot purchase at these times a very elaborate cook stove—coal cook stove—short of \$40 or \$50. \* \* \* Realizing that perhaps the expense incurred by me in our place was much higher than it would be in the average, I threw off a couple or three hundred dollars and figured that \$200 would perhaps be much lower than it would cost the average customer."

T. O. SULLIVAN.

Page 222 :

"Q. What would you say would be a fair estimate of the average cost to the present domestic consumers in the States of Pennsylvania and Ohio, now using natural gas, to change their appliances to other fuel, where those appliances could be changed without reconstruction of the houses? What would be a fair average, or have you made any figures upon that subject?

"A. I have attempted to make figures upon it, but it is rather a difficult thing to do, to arrive at an average, of course. It is a very easy matter to estimate what the cost would be of changing any particular house, \* \* \* but as far as I have been able to figure it out, an average price would probably—would be between two and three hundred dollars per house. That might be more or might be a little less. I don't think it would be any less; my judgment would be that it would be more, if anything."

Pages 295, 296: (Cross Examination):

The cost of reconstruction of houses in West Virginia for the purpose of changing them so that fuel other than natural gas could be used would be about the same per house as the cost per house in Pennsylvania.

JOHN B. CORRIN.

Pages 330 to 331, 334:

The cost of reconstruction of houses in order to make possible the use of fuel other than natural gas where such houses were originally constructed with a view towards using natural gas would, basing the estimate upon the cost of reconstructing witness' own home of ten rooms, be from \$400 to \$500, and (p. 344. Cross Examination) the cost would be about the same for a West Virginia house.

L. B. DENNING.

Page 678:

“ \* \* \* He cannot, however, except in a very limited way, use the heating appliances that he has, so he must necessarily not only sustain what I may call a loss in the way of better conditions in the household but also a substantial financial loss in the way of being compelled to junk and abandon appliances and fixtures which are already in the house and already in use and which have been in use for a good many years. The actual money outlay or loss sustained by the individual consumer would be purely a matter of conjecture, depending upon the individual conditions. I would estimate, due to the change in fixtures, a loss of from \$50 to \$75 per consumer as a minimum; due to

the change in house conditions I fancy would be much more than that, although I am not prepared to give any figure as to that."

S. S. WYER.

Page 907:

"The enforcement of the Act in controversy would mean a loss of at least \$100 on the average to each consumer affected, and this would mean an aggregate loss of at least \$112,000,000."

Page 914:

"It would be a very great inconvenience. It would represent a very distinct financial loss. Of course, it would be very difficult to fix that by any definite arithmetical amount, because natural gas at any prices that it has been sold for in the past is cheaper by far than any other service or competing commodity that could be purchased for performing any similar function in the house. One dollar natural gas would be only 40 per cent. as expensive in actual cost to the consumer as manufactured gas at current prices, and for the larger communities it would be necessary to go to manufactured gas. For the smaller communities—and they of course are in the majority as far as numbers are concerned—it would not be feasible to operate artificial gas plants, and they would have to go without any gas service at all, and for any other commodity they could purchase at present market prices, the cost would be very much greater and would represent a distinct and great financial loss, in addition to the very important one of the great inconvenience of natural gas for domestic purposes."

MR. QUAY: pages 15, 21, 58, 59, 56:

Mr. DALY: page 586:

MR. DENNING: page 677:

MR. McMAHON: page 724:

MR. ANDERSON: pages 820, 830, 853:

MR. WYER: page 964:

Summary of above testimony:

Industrial plants in Pennsylvania and Ohio, as in the case of the homes of domestic consumers in those States, were constructed with a view toward fitting them to the use of natural gas as a fuel. These gas appliances are unfit for the use of other fuel, and in the event of the necessity of the use thereof, the appliances will have to be reconstructed. The industrial consumers in Pennsylvania and Ohio can use no other fuel so effectively as natural gas, and the deprivation of the supply of natural gas under the operation of the West Virginia statute will result in a serious financial loss to such customers.

HARRY A. QUAY.

Page 15:

“ \* \* \* It (natural gas) is used by industrial consumers for various uses,—we have steel plants, glass factories, potteries, machine shops, foundries—various industries who receive gas from our lines.”

Page 21:

"A. When the price of natural gas was very cheap, it was used in a great many crude appliances, but as the price advanced, the industrial user has been forced to adopt appliances especially constructed for the use of natural gas, so that he might burn it economically."

(Cross Examination..:

Pages 58 to 59:

Natural gas is used in industrial plants in West Virginia in about the same way and for the same purposes as in Pennsylvania.

Page 820:

"A. In case of industrial plants, where it is desired to change from natural gas to the use of coal, oil, or other substitute fuel, it is generally necessary to reconstruct some of the subjects, in order to make the change in fuel, or else to build and construct artificial gas plants with which to supply artificial gas in the same appliances and burners. This is perhaps a heavier expense than to make a change to some of the other classes of fuel."

Page 56:

A great many of the industrial consumers of the Manufacturers Light and Heat Company will have to reconstruct their plants in order to use fuel other than natural gas, their appliances at present having been constructed especially for the use of natural gas. For

use by industrial companies, this gas has many advantages over other commodities as a fuel as to its heating value and to the manner in which this heat can be applied and in which the gas can be used.

L. B. DENNING.

Page 677:

"A. Natural gas is the best and most economic and most convenient fuel for all general purposes that has ever been discovered. Its B. T. U. content of heat efficiency is generally from 100 to 150 per cent more than that of any manufactured gas or any solid fuel."

HARRY A. QUAY.

Pages 20 and 21, 28 and 29:

The gas companies producing gas in West Virginia supply large communities in Pennsylvania with gas. Since up to the last few years gas has been plentiful, every effort has been made to extend the business, the number of consumers and the amount of gas sold. Taking as a basis for computation the number of natural gas meters in use in Pennsylvania, it would appear that some 2,000,000 people in that State use gas for fuel and light. Although industrial consumers on the lines of the Manufacturers Company are no longer entirely dependent upon natural gas, for the reason that they have equipped themselves with substitute fuel, domestic consumers, to the extent of thousands, have no other way of heating their homes or cooking than by natural gas.

Among the number of entire communities supplied with natural gas there are various large communities. The East Ohio Gas Company, supplying gas in Ohio, the Peoples Natural Gas Company, of Pennsylvania, the Fayette Natural Gas Company and The Manufacturers Light & Heat Company, receive practically all their gas for domestic purposes from outside the State, substantially wholly from the State of West Virginia. The same is true of the Carnegie Natural Gas Company and the Philadelphia Company.

Page 28:

The East Ohio Gas Company, supplying gas in Ohio; the Peoples Natural Gas Company, the Fayette Natural Gas Company and The Manufacturers Light & Heat Company, supplying gas to domestic consumers in Pennsylvania, receive practically their entire supply of gas so furnished from West Virginia. The Carnegie Natural Gas Company and the Philadelphia Company, supplying gas to both Ohio and Pennsylvania, receive it from the same source.

Pages 8 and 9:

Gas supplied by The Manufacturers Light & Heat Company, 1919:

Number of Consumers:

In West Virginia	In Pennsylvania	In Ohio	Miscellaneous
11,000	75,000	26,000	4,500

Total, 116,500.

Gas sold in West Virginia in cubic feet, 5,400,000,000; Pennsylvania, 15,800,000,000; Ohio, 6,300,000,000.

(NOTE: Includes domestic, industrial and miscellaneous sales.)

Gas supplied to domestic consumers: West Virginia, 1,084,000,000 cubic feet; Pennsylvania, 7,966,000,000 cubic feet; Ohio 2,600,000,000 cubic feet.

Gas supplied by the Manufacturers Company for industrial purposes: West Virginia, 3,300,000,000 cubic feet; Pennsylvania, 5,700,000,000 cubic feet; Ohio, 3,700,000,000 cubic feet.

Miscellaneous: West Virginia, 1,000,000,000 cubic feet; Pennsylvania, 1,600,000,000 cubic feet; Ohio, 100,000,000 cubic feet.

**Pages 141 to 143:**

Figures showing the number of domestic consumers, the number of industrial consumers and the number of miscellaneous consumers supplied by The Manufacturers Light & Heat Company with natural gas for the years 1910 to 1919, inclusive, in the three States of Pennsylvania, Ohio and West Virginia.

**Pages 29, 52 131, 133, 134, 149, 150, 151, 162, 167:**

Not only are the present fields of gas inadequate to supply the large companies operating in West Virginia with gas sufficient to satisfy the requirements of all their consumers, but those gas fields are also on the decline; that is, the supply of gas obtainable from them is steadily decreasing. The Manufacturers Light and Heat Company has not sufficient gas to fill the demands of its customers. In cold weather when the industrial consumers are shut off there is still not sufficient gas



for the domestic consumers of the Manufacturers Company in the States of Pennsylvania and Ohio. Further, all the known gas fields tributary to the gas territory held under lease by the Manufacturers Company are occupied and in use—that is, fully drilled up and fully operated. Due to this condition the Manufacturers Company cancelled all contracts for the sale of industrial gas, with the exception of United States government contracts, as of March 5, 1920. One reason for the purchase of gas in such large quantities from the State of West Virginia by Pennsylvania and Ohio consumers is the decline in the Pennsylvania and Ohio gas fields. As a matter of fact the production of gas from the fields in all three states—Pennsylvania, Ohio and West Virginia—is fast declining, steady and constant demands being made upon the gas underneath the fields, the amount of which is definite and limited and not inexhaustible. The decline in the production of gas in West Virginia fields has been less than that in Pennsylvania and Ohio, but is perfectly discernible. The time is approaching when there will be insufficient gas to meet the requirements of even domestic consumers in the three States mentioned. Little or no new territory is available. The companies producing gas in West Virginia have in prospect the necessity of abandoning those plants when the supply of gas becomes altogether exhausted though it will be attempted to postpone that period by curtailing the consumption of gas and by the adoption by consumers of other fuel when the gas supply becomes so low as to be unsatisfactory. The alternative to discarding the large gas plants is the production of manufactured gas, which is merely a possibility.

T. O. SULLIVAN.

Pages 211, 279, 280, 283, 296, 297:

At the present time the companies have not sufficient natural gas or means of obtaining natural gas to satisfy the demands therefor made upon them by the consumers. The Winter months witness great shortages of natural gas invariably. The prospect is that these shortages will increase since, at least in the witness' knowledge, there is no way in which the gas companies can obtain sufficient gas to adequately supply consumers in Winter. Discovery of new gas territory is hardly to be hoped for, and further, the present gas fields are becoming depleted and are being steadily exhausted. The rate of decline depends upon two factors:

(a) the rate at which the gas is taken out, and

(b) the size of the hole from which the gas is extracted.

JOHN B. CORRIN.

Pages 329 and 344:

In the witness's estimate,  $\frac{3}{4}$  of the gas used by domestic consumers in Pennsylvania and Ohio comes from West Virginia. The proportion of gas used in Pennsylvania and Ohio for industrial purposes which comes from West Virginia is somewhat less, however, than 75 per cent. These conditions have existed for about four years and exist at the present time; if anything the percentage of gas obtained by consumers in Ohio and Pennsylvania from West Virginia is increasing.

Pages 327, 328, 346, 348, 349:

Prior to the war the Reserve Gas Company and the Hope Natural Gas Company suffered no shortages, but since then the supply has been insufficient to meet the demand. All gas fields and all sands of all gas companies are declining, the present fields being capable of producing but an insufficient supply to satisfy the demands of consumers. In spite of the efforts of the companies to get more gas, not only on the surface but by deeper drilling, no success having been met, the probability for the coming year would be 30% increase in the shortages. Some companies are at present using suction on their wells to increase the production of gas and eventually all the other companies will have to adopt the same methods.

Page 349:

“\* \* \* There is just a limited amount of gas left and we have to all realize that. We can use it up in two or three years, or we can extend it over a period of ten or fifteen years, and it is just up to the people what they are going to do with it.”

H. A. WALLACE.

Page 400:

The Union Gas & Electric Company, of Cincinnati, supplying domestic consumers in Cincinnati with gas, receives its supply from the Columbia Gas & Electric Company, which, in turn, obtains its gas from West Virginia and Ohio.

JAMES H. REED.

Pages 497 to 500:

“Q. Have you the list of the cities and towns supplied by your company in the State of Pennsylvania, in Allegheny County, Armstrong County, Greene County, Washington County and Westmoreland County; also the cities and towns in the State of West Virginia, supplied; and also the gas supplied from trunk lines to customers whose post office addresses are given?

A. I have.

Q. Will you read that into the record, please?

A. (Reading):

CITIES AND TOWNS IN THE STATE OF PENNSYLVANIA  
SUPPLIED

ALLEGHENY COUNTY

Aiken Station	Ewing Station	Port Perry
Barking Station	Floreffe	Redman's Mills
Boquet	Glenfield	Ross Station
Brackenridge	Hawkins	Sharpsburg
Bruceton	Hays Borough	Tarentum
Cheswick	Hoboken	Verona
Crafton	Homeville	Walton Station
Creighton	Knoxville	West View
East Bellevue	Lincoln Place	Whitaker
Edgewood	Milltown	Willock
Emsworth	Mt. Lebanon	Broughton
Ewingville	McKees Rocks	Gill Hall
Glendale	New Texas	Snowden
Greentree	Option	Hite
Allison Park	Pittsburgh	Homestead Park
Bellevue	Rankin	Ingram
Bower Hill	Rosslyn	Leesdale
Braddock	Sandy Creek	Logans Ferry
Carnegie	Swissvale	Montrose
Clinton Terrace	Turtle Creek	McKeesport
Crafton Heights	Wall	New England
Dormont	West Homestead	Oakmont
East McKeesport	Westwood	Pitcairn
Ellisdale	Williamsburg	Port Vue
Etna	Woodville	Rosevale
Fite Station	Fairhaven	St. Clair Borough
Glassmere	Rodfield	Springdale
Harmarville	Spring Garden Boro	Thornburg
Aspinwall	Heidelberg	Versailles
Birdville	Homestead	West Elizabeth
Boyce Station	Hulton	West Red Raven
Bridgeville	Large	Wilkinsburg
Carrick	Lockton Station	Wilmerding
Coal Valley	Millvale	Epton
Crafton Terrace	Mt. Oliver	Miller's Road
Duquesne	Munhall	Surgeon's Hall
East Pittsburgh	North Braddock	
Elrama	Perrysville	

ARMSTRONG COUNTY

Atwood	Blanket Hill	Clinton
Cockran's Mills	Elderton	Ford City
Freeport	Kelly Station	Mossgrove
Neale	Rockville	Sagamore
Shay	Stonchouse	Whitesburg

GREENE COUNTY

Ashtree	Woodruff	Brooks
Clarksville	Brave	Delphine
Dunn Station	Deep Valley	Garrison
Gump	Fordyce	Hero
Holbrook	Harveys	Jefferson
Jollytown	Hoover's Run	Ned
Nettle Hill	Kirby	Oak Forest
Pine Bank	New Freeport	Sand Rock
Spraggs	Rogersville	Waynesburg
	Sycamore	

WASHINGTON COUNTY

Amity	Beallsville	Bentleyville
Canonsburg	Cecil	Claysville
Coal Centre	Donora	Eldora
Elrama	Ellsworth	Gastonville
Greenlee Station	Khedive	Monongahela
Pleasant View	Scenery Hill	Speers
Baidland	Centerville	Coal Bluff
Courtney	Charleroi	Deemston
Dunkirk	East Bethlehem	Eighty-four
Finleyville	Frederickstown	Ginger Hill
Hackett	Ivanhoe	Kammeron
Mingo	Vanceville	Venetia

WESTMORELAND COUNTY

Meadow Brook	Murrysville	Trafford
Vandergrift	Parnassus	

CITIES AND TOWNS IN THE STATE OF WEST VIRGINIA  
SUPPLIED:

Blueville	Fetterman	Pruntytown
Boothsville	Flemington	Rosebud
Burton	Grafton	Rosemont
Colfax	Gypsy	Shinnston
Daybrook	Haywood	Thornton
Enterprise	Hutchison	Worthington
	Lumberport	

Gas is also supplied from trunk lines to customers,  
whose post office addresses are as follows:

Addison	Freemansburg	Prospect
Anthem	Glover Gap	Roanoke
Artisan	Hundred	Ross
Bridgeport	Jane Lew	Salem
Bristol	Kodal	Sedalia
Broomfield	Littleton	Simpson
Brown	Logansport	Smithfield
Camden	Lost Creek	Tevebaugh
Clarksburg	Mannington	Uniontown
Dola	Metz	Viropa
Everson	Middleton	Wales
Fairmont	Moorsville	Watson
Fairview	Monongah	Weston
Farmington	Pleasant Valley	West Union

Q. Those trunk line consumers, to whom you refer, are in West Virginia, are they not?

A. Yes, sir."

### J. E. ANGLE.

Pages 538 and 539:

This is a table showing the number of domestic consumers and number of industrial consumers served in the towns of Uniontown, Scottdale, Connellsville and Mt. Pleasant, Pennsylvania, by the Fayette County Gas Company; the cubic feet of gas supplied to municipalities and public buildings by the Company, and the number of people in the above named towns dependent upon that gas, estimating  $4\frac{1}{2}$  persons per consumer, for the years 1910 to 1919, inclusive. The table shows the domestic consumers in the four towns named to average about 10,500 each year; other consumers, about 95; municipalities and public buildings, about 75,000, and the number of people dependent, 45,000 to 55,000.

### MARTIN B. DALY.

Pages 572 and 573:

“Q. Can you give us a list of at least the principal municipalities and cities that you supply gas to?

“A. Yes, sir; I think I have that here:

Towns served as of December 31, 1919.	No. of consumers.
Cleveland .....	208,294
Akron .....	32,655
Kenmore .....	1,866
Cuyahoga Falls .....	1,890
Canton .....	18,685
North Canton .....	370
Massillon .....	4,915



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Dover .....	1,971
New Philadelphia .....	2,704
Uhrichsville and Dennison .....	2,861
Kent .....	1,623
Ravenno .....	1,872
Youngstown .....	25,687
Warren .....	5,925
Niles .....	2,381
Girard .....	1,268
Hubbard .....	596
Struthers .....	1,302
Lowellville .....	297
East Palestine .....	1,363
Poland .....	171
New Middletown .....	65
Petersburg .....	94
Wooster .....	2,540
Orrville .....	1,114
Shreve .....	373
Loudonville .....	3,643
Barberton .....	3,272
Wadsworth .....	1,101
Dovlestown .....	270
Millersburg .....	351
Danville .....	194
Buckeye City .....	116
Gann (Brinkhaven) .....	125

Q. Now those towns are scattered over your system from Southeastern Ohio in Monroe County to Cleveland on Lake Erie, and from Danville in Knox County to Millersville in Monroe County, are they, Mr. Daly?

A. Yes, and extend further down through the Southeastern corner of Monroe County to East Palestine

and North in Trumbull County to the City of Warren; East to the City of Urbana in Portage County also. The beginning, however, of the distribution does not take place until after the lines enter Tuscarora County, Uhrichsville and Dennison being the furthest South.

Q. In that list do you have the cities of Cleveland, Canton, Akron, indirectly Alliance, Youngstown and Warren?

A. Yes, all of those."

Page 588:

Because of the inability of the Hope Natural Gas Company to fulfill its contracts with the East Ohio Gas Company during the winter time there have been serious shortages of gas in the vicinity supplied by this company, so serious that for a number of days extending over a period of nearly three weeks there were many people who could not obtain sufficient gas to cook their meals.

Page 612:

"Q. When the supply of gas which the company may have for distribution gets below a certain point what is your opinion as to whether or not there is very great danger involved in its consumption?

A. There is no doubt but that the condition you describe would bring about a hazard in the use of gas which might result in loss of life and property by reason of explosions and asphyxiation. Fires could not be left burning over night with any degree of certainty or safety and it would render the service not only unsatisfactory but dangerous."

T. J. JONES.

Pages 631 and 632, summarized:

The witness is manager of the Natural Gas Properties of the Pure Oil Company, under which exist a number of subsidiary companies. The subsidiary companies are the Columbus Gas & Fuel Company, Federal Gas & Fuel Company, Springfield Gas Company and the Dayton Gas Company. From 1916 to 1920, inclusive, the Federal Gas & Fuel Company had from 13,000 to 16,000 consumers annually; the Dayton Gas Company from 28,000 to 36,000 consumers annually; the Springfield Gas Company from 11,000 to 14,000 consumers annually, and the Columbus Gas & Fuel Company from 44,000 to 46,000 consumers annually.

Page 740:

Figures furnished by T. J. Jones.

Consumption for the year ending March 31, 1920, of gas furnished by the Columbus Gas & Fuel Company, the Federal Gas & Fuel Company, the Dayton Gas Company and the Springfield Gas Company:

Domestic, 13,310,970,000 cubic feet; industrial, 1,790,396,009 cubic feet; total, 15,101,366,000 cubic feet.

The number of domestic consumers of the combined companies was 111,695; of industrials, 941; total, 112-633.

The proportion used by the industrial consumers was, therefore, 11.85 per cent.

Pages 636 and 637:

“Q. And if your supply of gas from West Virginia was curtailed by reason of the putting into force of the act in question here what would be the result of that on your company as a company and your consumers and those dependent upon your company?

A. The service as I have stated would be very unsatisfactory and very hazardous. The consumers would be limited to gas for cooking and lighting and heating hot water. It would be necessary for them to provide other means for taking care of their comforts in the way of heating. • • •”

L. B. DENNING.

Pages 667 and 668:

“A. That list is a tabulated statement of the towns which we supply direct by the Ohio Fuel Supply Company and the Northwestern Ohio Natural Gas Company, but does not include the names of the municipalities which are not supplied direct by us.

By The Ohio Fuel Supply Company:

St. Clairsville	Hooker	Coalton
E. Richland	London	Glenroy
New Lexington	Xenia	Jackson
Junction City	Wilberforce	Allensville
Belmont	Miamisburg	Gallipolis
Bethesda	Germantown	Middleport
Morristown	Monroe	Pomeroy
Barnesville	Sharonville	Chester
Somerton	South Charleston	Gahanna
Miltonsburg	Rockbridge (Field)	New Albany
Quaker City	Tremont City	Canal Winchester
Spencer	Lawrenceville	Waterloo
Cambridge	Buckeye Lake	Crooksville
Byesville	Colfax	Roseville
Pleasant City	Pleasantville	Beem City
Derwent	South Pleasantville	Fultonham
Buffalo	Pickerington	Frazeusburg
Senecaville	Lancaster	Carroll
Coldwell	White Cottage	Sugar Grove
Sarahsville	Old Washington	West Jefferson
Claysville	Crafton	Cedarville
Rix Mills	Sedalia	Somerset
Belle Valley	Rushville	Franklin
Coal Ridge	W. Rushville	West Carrollton
Mt. Vernon	Bremen	Bethany
Fredericktown	Shawnee	Urbana
Academia	New Straitsville	Mt. Sterling
Gambier	Corning	Murray City
Howard	Hemlock	North Hampton
Millwood	Ludington	Groveport
Bangs	Drakes	Camp Grounds
Brandon	Bukingham	Horns Mills
Martinsburg	Millerstown	Baltimore
Croton	Rendville	Thurston
Appleton	Glouster	Basil
Johnstown	Trimble	Nashport
Alexandria	Jacksonville	Trinway
Lock	Logan	Lore City
Perrysville	Haydensville	New Carlisle
Hayesville	Enterprise	Beattytown
Mifflin	Nelson Valley	Piqua
Zanesville	Carbon Hill	Sidney
South Zanesville	Midway	Troy
Hanover	McArthur	Tippacanoë City
East Fultonham	Hamden	Covington
Dresden	Wellston	

By The Northwestern Ohio Natural Gas Company:

Toledo

North Baltimore

Bowling Green

Maumee

Perrysburg

By Point Pleasant Natural Gas Company:

Point Pleasant, West Virginia."

Page 661 to 664:

Tabulation of figures showing gas sales by the Ohio Fuel Supply Company for the years 1910 to 1920, inclusive, and showing the number of domestic consumers, the number of public buildings supplied and the amount supplied to each company every year; the amount of gas sold by the Northwestern Ohio Natural Gas Company to domestic consumers and the number of domestic consumers; the amount of gas sold by the Ohio Fuel Supply Company to industrial consumers and to other consumers and the number of such consumers, respectively. Likewise for the Northwestern Ohio Natural Gas Company. The amount of gas sold to all consumers and the number of such consumers by the Ohio Fuel Supply Company; also the amount of gas sold at wholesale to municipalities and utilities. The amount of gas sold to all consumers by the Northwestern Ohio Natural Gas Company, and the number of such consumers. All these figures are given for the respective years 1910 to 1920, inclusive.

The number of domestic consumers of the Ohio Fuel Supply Company increased from 53,908 in 1910 to 63,060 in 1920, and the amount of gas sold fluctuated from almost 6,000,000,000 cubic feet in 1910 to less than 4,000,000,000 cubic feet in 1920. In 1910 there were 259 public buildings which were on the lines of

the company's consumers; these increased to 415 in 1920, and the amount of gas furnished such consumers decreased from 582,165,000 cubic feet in 1910 to 180,356,000 cubic feet in 1920.

The Northwestern Ohio Natural Gas Company enjoyed an increase in the number of consumers from 34,579 in 1910 to 54,119 in 1920, and the gas sold increased from about 3,000,000,000 cubic feet in 1910 to 5,620,150,000 cubic feet in 1919. Similar fluctuations are shown in the other figures referred to. For actual figures see tables on pages referred to.

G. F. BATCHELOR.

Page 745:

This table shows sales of gas by the Natural Gas Company of West Virginia to domestic consumers in varying amounts close to the 2,000,000,000 cubic feet mark for the years 1910 to 1919, inclusive, and to industrial consumers in amounts increasing from 708,987,000 in 1910 to about 2,000,000,000 in 1919. Total of gas furnished domestic and industrial consumers for the same years increased from 2,700,000,000 in 1910 to over 3,000,000,000 in the years 1917 and 1918 and 2,923,345,000 in 1918.

EUGENE I. WHITCOMB.

Page 794:

Tabulation showing number of domestic consumers of the Logan Natural Gas & Fuel Company and the amount of gas furnished such consumers for the years 1910 to 1919, inclusive, and the ratio which the amount of gas thus furnished bears to the total amount of gas

sold by the Company. Similar figures are shown relative to the gas for other consumption, including commercial and industrial.

**Pages 758 to 761:**

The Logan Natural Gas & Fuel Company supplies domestic, industrial and other consumers in various towns in Indiana and Ohio with natural gas. The figures for the year ending December 31st, 1919, are as follows:

Population in towns served, 339,340; domestic consumers, 85,832; commercial, industrial and miscellaneous, 1,628; total consumers, 87,460.

Cities and towns served through other companies in Ohio:

Population, 246,817; total number consumers served, 52,020.

Cities and towns served through other companies in Indiana:

Population, 89,589; total number of consumers served 16,232.

Grand total population served by the Logan and other companies in Indiana and Ohio, 675,946; total consumers served, 155,712.

Only the totals of all figures have been given here.

The tables in the record show the population of, and domestic and industrial consumers served in, each town.



J. K. ANDERSON.

Page 821:

"About forty per cent. of the total consumption of natural gas by the domestic and industrial consumers in Pennsylvania is supplied by gas imported from the State of West Virginia, and therefore at least forty per cent. of such consumers are wholly or partly dependent upon West Virginia for their fuel supply."

Page 823:

"Q. Now give us the average annual consumption per domestic consumer for the year 1918, for the different states?

A. The average annual consumption per domestic consumer for the year 1918, for the different states, is as follows:

West Virginia.....	164.89	thousand	cubic	feet.
Pennsylvania.....	124.34	"	"	"
Ohio .....	110.65	"	"	"
Kentucky .....	87.21	"	"	"
Indiana .....	78.25	"	"	"
22 other states .....	91.80	"	"	"

Pennsylvania Exhibit No. 32, offered at page 823 of the record, appears on page 1569 of the record.

In addition this exhibit embraces a compilation taken from the reports to the Board of Public Works and to the Public Service Commission, of West Virginia, for the years 1909 to 1919, inclusive, showing the average yearly consumption per domestic consumer in West Virginia in thousand cubic feet, and also showing

the number of domestic consumers, the volume in M cubic feet and the average per domestic consumer of 13 companies and 54 other utilities doing business in West Virginia, and the average price per domestic M feet of gas for the year 1918 of said companies and utilities.

Page 819:

"Q. Mr. Anderson, give us the number of industrial and domestic consumers, and the amount of natural gas consumed by them, in the State of Pennsylvania, as shown by this exhibit, Pennsylvania Exhibit No. 30, which has been already introduced, for the year 1918.

A. The report of the United States Geological Survey for the year 1918 shows 481,275 consumers; or on a basis of five people to each consumer, 2,406,375 people using 59,839,731,000 cubic feet of gas. It shows 4,486 industrial consumers, using 117,300,074,000 cubic feet of gas. The total consumption in said State for both classes is given as 177,139,804,000 cubic feet.

Q. Now, have you the same information as to the number of domestic and industrial consumers and the amount of gas consumed by them, in the State of Ohio?

A. I have; it is shown on the reverse side of that sheet—on Pennsylvania Exhibit No. 30.

Q. Give it to us.

A. A report of the United States Geological Survey for the year 1918 shows 885,876 domestic consumers, or, on a basis of five people to each consumer, 4,429,380

people using 98,023,666,000 cubic feet of gas. It shows 4,010 industrial consumers, using 45,561,594,000 cubic feet of gas."

Page 827, 828:

The direct result of the enforcement of the West Virginia statute would be a deficiency in the supply of gas available for transportation to other States. This would come at the time of greatest demand and this deficiency in supply to consumers during the extremely cold weather would cause great distress and suffering and be attended with dangers of possible death from asphyxiation."

Page 829:

"Q. What effect would the enforcement of the provisions of the Act in controversy here have upon the consumers in Pennsylvania who obtain through their respective companies their supplies of natural gas from West Virginia?

A. It would certainly endanger the comfort for a considerable time during the Winter season of over two million people in the State of Pennsylvania by reason of shortages of gas which would take place. Their peak load coming at the same time as the peak load demand of domestic consumers of the various natural gas utilities in West Virginia making a natural shortage at the extremities of the distribution system much greater than it would be in the State of West Virginia itself. This might possibly endanger their lives by reason of the low pressure which would prevail in so many homes and attendant danger of possible fire and explosion."

Page 841: (Cross Examination):

The effect of a gas shortage on either domestic or industrial consumers in either Pennsylvania or Ohio would not be any different or greater than the shortage of domestic or industrial gas on consumers in West Virginia; that is, that West Virginia consumers, if they did not have enough gas in the winter time, would be subjected to the discomforts of coal and would be compelled to substitute other appliances or alterations in their dwelling houses or industrial plants in order to use other fuel, and their inconvenience and expenses would be the same as in Ohio and Pennsylvania.

SAMUEL S. WYER.

Pages 907 and 908:

“Q. Can you give us, from investigations which you have made, the percentage of all the gas used in Maryland, Pennsylvania, Ohio, Indiana and Kentucky, that is furnished from West Virginia, or supplied from West Virginia?

A. Maryland, 100 per cent; Pennsylvania, 35 per cent; Ohio, 50 per cent; Indiana, 80 per cent; Kentucky, 90 per cent.

Q. How many municipalities in Ohio, Pennsylvania, Kentucky, Indiana and Maryland, respectively, depend entirely on West Virginia for their natural gas service, having no other gas supply?

A. About 650 towns in the five states.

Q. How many in each?

A. Ohio, 300; Pennsylvania, 300; Kentucky, 25; Indiana, 15; Maryland, 14.

Page 908:

“Q. Will you give us now the number of domestic consumers, respectively, in Pennsylvania, Kentucky, Indiana, Maryland and Ohio, who are dependent entirely on West Virginia for their natural gas service, and the number of people?

A. Pennsylvania, 300,000 consumers, one and a half million population; Kentucky, 75,000 consumers, 375,000 population; Indiana, 15,000 consumers, 75,000 population; Maryland, 10,000 consumers, 50,000 population; Ohio 725,000 consumers, 3,625,000 population.

Q. How have you arrived at the population?

A. Estimated five people for each domestic consumer.”

Pennsylvania Exhibit No. 46. Offered, page 904 by Mr. Wyer, appearing on page 1598. This exhibit consists of a map showing the principal towns outside of the State of West Virginia depending upon that State for their natural gas service.

Pages 914 to 915:

“Q. If the companies engaged in the business of supplying gas from West Virginia to the communities in

other States as has been described should not adopt the policy of cutting off all such service under the operation of this Act and by notifying the consumers to discontinue all such consumption and continue their business as now taking their chances under the operation of this Act, what would be the effect in your opinion as a natural gas expert and with your knowledge of the situation, upon the health and life and comfort of those domestic consumers who are using natural gas in other States transported from West Virginia?

A. I do not believe that in the operation of the Act any one of those Interstate lines would attempt to use natural gas for the simple reason that there would not be any so the effect on health would be that they would have to get other fuel for heating and cooking and something else for lighting. As far as convenience is concerned there is nothing that they could get that would be in the same class with the natural gas of which they had been deprived. \* \* \*

CHARLES E. KREBS—DEFENDANT'S WITNESS.

Pages 1102, 1103, 1105, 1106, 1107, 1109, 1010, 1011, 1021.

West Virginia Exhibit 22 to 29, inclusive, offered by defendant's witness Krebs at pages 1002, 1003, 1005, 1006, 1007, 1009, 1010, 1011, 1021, and shown in the record, folio pages 440 to 447, inclusive and 450, consist of charts and diagrams showing the consumption of natural gas for industrial purposes, for domestic purposes and for all purposes, respectively, in the States of Pennsylvania, Ohio, Indiana and Kentucky.

Exhibit No. 32 is a diagram of the production and consumption of natural gas of West Virginia.

All charts and diagrams are for the years 1914 to 1918, inclusive.

Pages 1102 and 1103:

West Virginia Exhibit No. 22, introduced, page 1102, appearing folio 440; title, "Production and Consumption of Natural Gas in the State of Pennsylvania during 1914, 1915, 1916, 1917 & 1918."

X.

THE STATES OF PENNSYLVANIA AND OHIO, IN THEIR SOVEREIGN CAPACITY, IN AND THROUGH THEIR HOSPITALS, INSANE ASYLUMS, PUBLIC SCHOOLS, PENAL INSTITUTIONS AND CHARITABLE INSTITUTIONS ARE CONSUMERS OF NATURAL GAS AND HAVE CONTRACTS FOR THE SUPPLY THEREOF AND ARE DEPENDENT UPON THE USE OF NATURAL GAS EXPORTED FROM WEST VIRGINIA FOR HEAT AND LIGHT AND WILL BE SERIOUSLY AFFECTED BY THE OPERATION OF THE WEST VIRGINIA STATUTE AS TO THE LIFE, HEALTH, SAFETY, COMFORT AND CONVENIENCE OF WARDS AND DEPENDENTS IN SUCH INSTITUTIONS AND WILL FURTHER BE SUBJECTED TO GREAT PECUNIARY LOSS.

HARRY A. QUAY.

Pages 7 and 8:

"A. We sell to practically every municipality in which we serve the public. We have contracts with the State of West Virginia. We also have a contract with the State of Pennsylvania for supplying gas to the Boys' Industrial Home, known as Morganza. The sales last year to them ran something close to 90,000,000 cubic feet. I recollect the highest amount we had, which I think was January, 1919, was something like 15,000,000 feet, or a little over 15,000,000 feet that month. We have in that list 17 contracts, I believe, with the United States Government for supplying gas to Government dams along the Ohio River. And we have a great many con-



tracts with the United States Government for supplying gas to various post-offices in the various towns that we serve in the three States. In addition to that, there are some eight or ten contracts covering gas sold to counties, for instance, like Allegheny County here—for their use.

Q. And what do they use it for, in a general way—the county?

A. Well, mostly in their institutions. They have some gas engines; for laundry purposes, cooking and lighting, and so forth, general purposes.

Q. In State institutions, or County institutions?

A. Yes, sir."

Page 120 (Cross-examination) :

The Manufacturers Light & Heat Company supplies State, municipal and county institutions with gas in both West Virginia and Ohio, under contracts.

T. O. SULLIVAN.

Page 223 :

The Hope Company supplies various municipalities and Governmental institutions, including water works, government dams, court houses, hospitals, churches and public schools, with gas.

JOHN B. CORRIN.

Page 349:

"You spoke of using gas for lighting purposes; is that done very largely in the better class houses?"

A. Well, that depends on what you mean by the better class houses; but there is a lot of gas used for lighting purposes in a great many of these smaller towns, used for street lighting."

H. A. WALLACE.

Page 378:

United Fuel Gas Company statement of gas sold in West Virginia to churches, schools and public buildings for the years 1910 to 1919, inclusive:

	"Number churches, schools, public buildings.	Amount gas sold.
1910.....	169	267,375,000
1811.....	55	109,284,000
1912.....	33	55,373,000
1913.....	51	55,999,000
1914.....	69	150,173,000
1915.....	58	148,303,000
1916.....	52	231,134,000
1917.....	52	238,854,000
1918.....	52	238,710,000
1919.....	39	137,275,000"

JOHN B. TONKIN.

Pages 422 and 423:

“Q. Do you supply any municipal subdivisions, such as poor houses or poor farms or public buildings in any of these towns and cities, in which your company supplies gas?

A. We do. We supply the court houses and jails and city buildings, public schools, hospitals, hose houses.

Q. All the general public buildings then of the state and municipalities?

A. We do.”

W. W. FREEMAN.

Page 458:

“Q. Did you supply any public institutions, such as court houses, poor houses and hospitals?

A. Yes, sir; we have quite a number of those institutions; in addition to which, when gas is available—which it is in all except the cold winter months—the city works in Cincinnati is operated on gas under their boilers, and the water works and municipal plant in Norwood. Also, the Cincinnati General Hospital, which is a very large public institution.”

JAMES H. REED.

Pages 500 and 501:

Public buildings supplied with gas by the Philadelphia Company in Allegheny County, Pa.

**“PUBLIC BUILDINGS SUPPLIED.**

**CITY OF PITTSBURGH.**

**UNITED STATES GOVERNMENT :**

United States Bureau of Standards.  
 United States Public Health Hospital, No. 39.  
 United States Marine Hospital.  
 United States Post office and 13 sub-stations.

**ALLEGHENY COUNTY :**

City-County Building :

**CITY (PITTSBURGH) :**

Public Safety Buildings.....	2
City Market Houses.....	3
Electric Light Plant (N. S.).....	
City Play Grounds.....	10
City Comfort Stations.....	4
City Asphalt Plants.....	2
Hospitals (3 city).....	11
Water Pumping Stations.....	4
Water Department (Misc.).....	23
Fire Engine Companies.....	43
Police Stations.....	11
Miscellaneous City Buildings.....	22
Lamps for Street Lighting.....	90
Public School Buildings.....	93

**STATE :**

Western State Penitentiary.....	
Charitable Homes.....	34

Q. And also give us the supplies for the fire departments, public schools, hospitals, post offices, and water pumping stations of the Cities of McKeesport, Braddock, East Pittsburgh, Carnegie, Homestead, McKees Rocks, Sharpsburg, Crafton, Verona, Tarentum, Chrtiers Township, Bridgeville, Scott Township, and Stowe Township. in Pennsylvania?

	Fire Departments.	Public Schools	Hospitals.	Post Offices.	Water Pump Stns.
McKeesport .....	4	15	1	1	2
Braddock .....	2	8	1	1	1
East Pittsburgh .....	2	2	....	1	1
Carnegie .....	2	4	....	1	....
Homestead .....	2	4	1	1	....
McKees Rocks .....	4	5	1	1	....
Sharpsburg .....	9	8	....	2	4
Crafton .....	2	2	....	1	....
Verona .....	2	2	....	1	1
Tarentum .....	4	6	1	2	....
Chartiers Township .....	1	3	....	....	....
Scott Township .....	1	2	....	....	....
Stowe Township .....	2	2	....	....	1"

J. E. ANGLE.

Pages 538 and 539:

Municipalities and public buildings have been supplied with gas by the Fayette County Gas Company in Westmoreland and Fayette Counties, Pennsylvania, from 1910 to 1919, inclusive.

The following were supplied for 1918-1919:

1918

	M. Cu. Ft.
Uniontown .....	39,016
Connellsville .....	12,596
Scottdale .....	3,525
Mt. Pleasant .....	1,875
<b>Total</b> .....	<b>57,012</b>

1919

Uniontown .....	36,714
Connellsville .....	14,284
Scottdale .....	2,937
Mt. Pleasant .....	1,930
<hr/>	
Total .....	55,865

MARTIN B. DALY.

Pages 574 to 577:

“Q. Do you supply gas to subdivisions of the state, such as municipalities, counties, school boards, and so forth?

A. Yes, sir.

Q. Can you give us approximately a list of your meter connections for subdivisions of the state, such as municipalities, counties, and school boards, as of December 31, 1919?

A. Yes.

Q. Please do so.

A. (Reading):

	Town- ship trustees.	U. S. Govt.	State.	County.	City.	Schools.	Total
Dennison.....					1	2	3
Kent.....					1	4	5
Ravenna.....				4	2	5	11
Youngstown.....	1			5	21	31	58
Girard.....					2	5	7
Hubbard.....					2	2	4
Struthers.....					2	3	5
Lovellville.....					1	..	1
East Palestine.....					2	1	3
Poland.....					1	..	1
New Middletown.....					..	1	1
Petersburg.....					..	1	1
Warren.....	1			2	4	9	16
Niles.....					4	3	7
Wooster.....	1	5		3	6	6	21
Orrville.....					1	3	4
Shreve.....					2	1	3
Loudonville.....					3	3	6
Barberton.....					..	3	3
Wadsworth.....					..	2	2
Doylestown.....					1	2	3
Millersburg.....					..	1	1
Danville.....					..	1	1
Gann (Brinkhaven).....					..	1	1
	2	9	10	23	290	441	775

	Town- ship trustees.	U. S. Govt.	State.	County.	City.	Schools.	Total.
Cleveland & Suburbs ..		4	4	2	170	275	455
Akron.....	1		1	3	31	28	64
Cuyahoga Falls.....					3	1	4
Kenmore.....					3	2	5
Canton.....				2	11	17	30
North Canton.....					..	1	1
Massillon.....	1				7	10	18
Dover.....	1				4	6	11
New Philadelphia....	1			2	3	9	15
Uhrichsville.....					1	2	3

Total churches and parsonages entire system 1,331

Total charitable institutions entire system... 202

2,308

T. J. JONES.

Page 632:

"Q. Now Mr. Jones, you may state what if any amount of your gas is distributed to public buildings and for public purposes.

A. Yes, sir, there is.

Q. And where?

A. In the three cities, (Columbus, Dayton and Springfield), we supply gas to the United States Government, to State buildings, County buildings, City buildings, Schools and Hospitals."

L. B. DENNING.

Pages 661 to 664:

Public buildings supplied with gas by the Ohio Fuel Supply Company in Ohio for the years 1910 to 1920, inclusive:



GAS SALES.

	Public Buildings	
	Cons.	M cu. ft.
1910.....	259	582,165
1911.....	316	750,379
1912.....	340	1,019,261
1913.....	399	794,368
1914.....	205	557,972
1915.....	184	426,020
1916.....	152	376,398
1917.....	153	322,245
1918.....	275	297,632
1919.....	351	271,870
**1920.....	415	180,356
		<hr/>
		5,578,666

\*\*Figures for 1920 are for first 5 months only.

GAS SALES.

Wholesale—Municipalities—Utilities.

	M. cu. ft.
1910.....	137,854
1911.....	228,149
1912.....	273,537
1913.....	323,557
1914.....	397,492
1915.....	418,018
1916.....	495,132
1917.....	660,066
1918.....	853,158
1919.....	963,766
**1920.....	496,459
	<hr/>
	5,247,188

\*\*Figures for 1920 are for first 5 months only.

Number of Municipalities, Churches, Schools, State Institutions and Public Buildings Furnished Gas During the Year 1919 by The Ohio Fuel Supply Company.

Municipalities .....	135
Churches .....	130
Schools .....	57
State Institutions .....	43
Public Buildings .....	170"

J. W. McMAHON.

Page 723 :

"Q. To what extent, Mr. McMahon,—give such detail as you may be able to give with reference to your furnishing gas to municipalities, for municipal purposes; public buildings, churches, school houses and so forth?

A. We furnish gas for cooking and hot water, and we did furnish gas for heating to the State Insane Asylum at Toledo until about six years ago when we were obliged to discontinue it. But we now furnish gas for hot water and cooking for the State Insane Asylum in Toledo which has a total of inmates and attendants of between 1,500 and 2,000 people. The Northwestern Company supplies gas to the post office in Bowling Green, to the sub-stations in Toledo, all of the hospitals, orphan asylums, houses for the aged and the charitable institutions of Toledo, and the small towns are supplied with natural gas by our company for cooking and hot water; nearly all the school houses in the municipalities and in the city of Toledo are supplied with gas for cooking, and some of the smaller ones for heating. All of the parochial residences, and that

applies to the churches where they have cooking utensils, with the exception of six or seven out-lying churches that are beyond our lines, are supplied with natural gas. The libraries, to a greater or less degree, are supplied with natural gas; the waterworks for operating their filtration plant in the City of Toledo, and their high pressure stations for fire protection are supplied with gas, and all but one or two of the fire department houses. The entire economic condition, so far as fuel,—cooking is concerned of the city of 243,000 population,—and that applies equally to Bowling Green, North Baltimore, Perrysburg and Maumee, depends upon our supplying natural gas to those consumers."

Page 736 (Cross-examination) :

"Q. You had something to say about the supply of gas by your company to hospitals, schools, asylums and institutions of that kind; I assume that that gas is supplied under schedules filed with your Public Utilities Commission under similar circumstances to your supply of domestic gas?

A. Yes, sir.

Q. That is there is no more of a special contract with those institutions than there is with your domestic consumers?

A. With one exception.

Q. What is that?

A. The City of Toledo for their waterworks.

Q. How long has that contract been in existence?

A. About five or six years."

EUGENE P. WHITCOMB.

Pages 761 to 763:

"THE LOGAN NATURAL GAS & FUEL COMPANY.  
GAS DELIVERED FOR PUBLIC USE—1919.

	City pur- poses. M cu. ft.	Public schools & col- leges. M cu. ft.	Hos- pitals. M cu. ft.	State, federal and co. bldgs. M cu. ft.	County homes. M cu. ft.
Amanda.....	679	102	..	..	..
Amherst.....	401	1,578	1,370	..	..
Ashland.....	2,056	2,901	2,248	..	504
Ash-Lorain Field.....	..	790	1,945	..	..
Ashville.....	55	27	..	—	..
Athens.....	1,099	10,401	5,816	1,239	1,196
Bellevue.....	..	708	..	..	..
Belleville.....	341	391	..	..	..
Berlin Heights.....	185	1,221	..	44	..
Bucyrus.....	2,613	1,571	1,158	..	2,288
Butler.....	79	108	..	..	..
Cardington.....	156	16	..	..	..
Carey.....	..	558	..	..	..
Centerburg.....	259	811	..	..	..
Chillicothe.....	745	3,118	971	..	..
Circleville.....	280	224	786	5,137	..
Clyde.....	..	114	..	..	..
Crestline.....	..	..	..	..	..
Dover.....	45	..	..	..	..
Elyria.....	4,712	315	2,372	2,514	904
Findlay.....	..	..	..	..	..
Fostoria.....	525	1,967	..	..	..
Fremont.....	318	4,880	923	999	..
French Creek.....	..	..	..	..	..
Galion.....	..	1,847	773	..	..
Homer.....	..	..	..	..	..
Kingston.....	2,143	209	..	..	..
Lexington.....	..	5	..	..	..

	City per- poses. M cu. ft.	Public schools & col- leges. M cu. ft.	Hos- pitals. M cu. ft.	State, federal and co. bldgs. M cu. ft.	County homes. M cu. ft.
Litchfield.....	..	..	..	..	..
Logan.....	..	..	..	510	..
Lorain.....	4,645	2,297	2,044	217	..
Mansfield.....	2,623	1,097	6,660	490	6,186
Marion.....	11,233	2,003	..	11,016	..
Milan.....	209	119	..	118	156
Monroeville.....	103	269	..	62	..
Mt. Gilead.....	..	311	..	603	..
Newark.....	4,964	1 316	1,003	2,291	..
New Riegel.....	396	107	..	..	..
Norwalk.....	1,318	921	783	1,588	2,831
Polk.....	500	203	..	..	..
Rockbridge.....	..	..	..	..	1,119
Shelby.....	1,145	674	..	..	..
Spencer.....	..	..	..	..	..
Stoutsville.....	..	76	..	..	..
Sugar Grove.....	569	42	..	..	..
Sycamore.....	2,068	..	..	..	..
Thornville.....	737	..	..	..	..
Tiffin.....	526	9,846	..	661	..
Tiro.....	488	23	..	..	..
Upper Sandusky....	3,982	116	..	2,433	..
Wellington.....	6,367	..	..	..	..
Westerville.....	..	1,155	..	..	..
Williard.....	..	105	..	..	..
	58,564	54,542	28,852	29,922	15,184

## THE LOGAN NATURAL GAS & FUEL COMPANY.

### PRINCIPAL STATE, COUNTY, AND MUNICIPAL CONSUMERS OF GAS DURING YEAR 1919.

Ashland Colleges, Ashland, Ohio .....	1,390	M Cubic Feet
Samaritan Hospital, Ashland, Ohio .....	2,448	" " "
Amherst Hospital, Amherst, Ohio .....	1,370	" " "
State Hospital, Athens, Ohio .....	5,816	" " "
Ohio University, Athens, Ohio .....	10,088	" " "
County Infirmary, Bucyrus, Ohio .....	2,288	" " "
Court House, Jail, Bucyrus, Ohio .....	2,613	" " "
County Bldgs., Circleville, Ohio .....	5,137	" " "
City Hall, Elyria, Ohio .....	4,692	" " "
Memorial Building, Elyria, Ohio .....	2,372	" " "
County Court House, Elyria, Ohio .....	1,026	" " "
County Jail, Elyria, Ohio .....	1,485	" " "
Police Station and Hose Houses, Lorain, Ohio .....	4,539	" " "
St. Joseph Hospital, Lorain, Ohio .....	2,044	" " "
Ohio State Reformatory, Mansfield, Ohio .....	6,186	" " "
Memorial Building, Mansfield, Ohio .....	1,504	" " "
Mansfield Genl. Hospital, Mansfield, Ohio .....	6,660	" " "
City Fire Engines & Library, Mansfield, Ohio .....	1,119	M Cubic Feet
Garbage Plant, Marion, Ohio .....	4,945	" " "
City Buildings, Marion, Ohio .....	1,848	" " "
County Buildings, Marion, Ohio .....	10,974	" " "
Infirmary, Norwalk, Ohio .....	2,140	" " "
Court House, Norwalk, Ohio .....	1,512	" " "
City Buildings, Norwalk, Ohio .....	1,275	" " "
City Buildings, Newark, Ohio .....	4,964	" " "
Sanitarium, Newark, Ohio .....	1,003	" " "
Court House & Jail, Newark, Ohio .....	2,291	" " "
Schools & Colleges, Tiffin, Ohio .....	9,847	" " "
St. Lighting, Upper Sandusky, Ohio .....	3,983	" " "
Wyandot County Bldgs., Upper Sandusky, Ohio .....	2,433	" " "
Board of Public Affairs, Sycamore, Ohio .....	2,068	" " "
Board of Public Affairs, Wellington, Ohio .....	6,367	" " "
Total .....	118,427	" " "

Page 806:

"Q. Your Company has been furnishing gas to both of those state institutions at Athens, namely, the Ohio University and the Hospital for Epileptics or insane or whatever it may be, has it not?

A. It has."

**XI.**

**GAS COMPANIES IN WEST VIRGINIA ARE  
PUBLIC SERVICE CORPORATIONS OPERATING  
UNDER FRANCHISES AND EXERCISING THE  
RIGHT OF EMINENT DOMAIN.**

**HARRY A. QUAY.**

Pages 70 and 71 :

“Q. Then the fact remains that, while you are uncertain as to the places at which you have or have not municipal franchises in West Virginia, you are operating, and have been operating for a number of years in the past, under some sort of municipal—

A. Power.

Q. Permission or power or tolerance or acquiescence—is that correct?

A. That is correct.”

**T. O. SULLIVAN.**

Pages 246 to 248 :

The pipe lines of the Hope Company are laid over lands over which the Company has a right of way. The company does not own the fee of such lands. Such rights of way for the purpose of laying, maintaining and operating pipe lines, and, in some instances, telephone and telegraph lines, are usually secured from the owner of the property by agreement and for compensation. Sometimes condemnation proceedings are resorted to in case of inability to deal with the owners of the land. The

lines also cross public highways in West Virginia in a number of places and are sometimes laid along such highways. In such cases permits or franchises are secured from the proper officials; in incorporated towns from the town officials. As a specific example, the instance was cited of the City of Clarksburg, from which the Hope Natural Gas Company held a franchise for its pipe line for the purpose of distributing and supplying natural gas to consumers in that city.

H. A. WALLACE.

Pages 381 and 382 (Cross-examination) :

The United Fuel Gas Company has acquired rights of way in West Virginia by both purchase and condemnation proceedings. It also possesses a franchise in the City of Huntington, under which it is permitted the use of certain streets and alleys to lay lines connected up with consumers to distribute gas. Similarly in the City of Charleston, West Virginia (p. 386).

JAMES H. REED.

Pages 519 and 520 (Cross-examination) :

The principal transmission lines of the Philadelphia Company go across the public roads and in some instances along them in the State of West Virginia. So far as the witness knows the rights to lay and operate these lines are exercised under permission or authority granted by the property State and county authorities in West Virginia. Some of the rights of way were acquired by condemnation proceedings. The Company also holds franchises in the State.



**H. E. NEASE—DEFENDANT'S WITNESS.**

**Pages 1016 and 1017:**

The great interstate gas companies have rights of way for their pipe lines across and along the roads in West Virginia, which rights were granted by the County Courts, and similar franchises permitting them to erect telephone and telegraph lines of their own along the public roads; where the companies serve natural gas in various incorporated towns and villages in the State, they furnish the supply of this gas under franchises.

**J. S. LAKIN—DEFENDANT'S WITNESS.**

**Pages 1174 and 1175:**

The Hope Natural Gas Company holds eight franchises transferred to it by deeds by the Mountain State Gas Company to furnish gas, which have been granted by the municipalities of Parkersburg, St. Marys and Sistersville, of Wood and Pleasants Counties, West Virginia.

**CHARLES A. SHORT—DEFENDANT'S WITNESS.**

**Page 1276:**

The Pittsburgh and West Virginia Gas Company, supplying gas to Shinnston, West Virginia, holds a gas franchise, as does also the Home Petroleum Company, supplying gas to the same town.

**F. C. DEVERICKS—DEFENDANTS' WITNESS.**

**Pages 1363 and 1364:**

Offered in evidence:

Certified copies of franchises granted by the County Court of Harrison County for the use of the public roads of the county to the Reserve Gas Company, Hope Natural Gas Company and Hutton Gas Company, respectively, through the years 1905 to 1907.

**W. C. ALLMAN—DEFENDANT'S WITNESS.**

**Page 1215:**

During the period of six years immediately preceding January 1, 1921, while the witness was Clerk of the Circuit Court of Lewis County, West Virginia, there were a number of proceedings by way of condemnations for pipe lines brought principally by the West Virginia Central Gas Company, the Hope Gas Company, the Reserve Gas Company and the Pittsburgh and West Virginia Gas Company, or Philadelphia Company of West Virginia.

Copies of the court records of proceedings for these condemnations were offered in evidence and marked West Virginia Exhibit No. 45.

**I. WADE COFFMAN—DEFENDANT'S WITNESS.**

**Pages 1216 and 1217:**

During the period of witness' service as Clerk of the Circuit Court of Harrison County, various condemna-

tion proceedings for pipe lines for the transportation of natural gas were brought by gas companies, including the Hope Natural Gas Company, the Carnegie Natural Gas Company, the Fairmont & Grafton Gas Company, the Philadelphia Company of West Virginia and the Pittsburgh & West Virginia Gas Company.

Certified copies of the court records relative to the above were offered in evidence and marked West Virginia Exhibit No. 50.

West Virginia Exhibits Nos. 46 to 49, inclusive, consist also of certified copies of court records showing condemnation proceedings by the various companies in West Virginia courts for rights of way.

#### F. C. DEVERICKS—DEFENDANT'S WITNESS.

Page 1363:

Offered in evidence:

Certified copy of the proceedings has in the condemnation proceedings of Wheeling Natural Gas Company against Enos D. Tennant and others, marked West Virginia Exhibit No. 51.

West Virginia Exhibit No. 52,— offered at page 1364, appearing at page 1917, showing grants of franchises by communities in West Virginia to gas companies operating in that State.

**H. E. NEASE—DEFENDANT'S WITNESS.**

**Page 988:**

West Virginia Exhibits Nos. 9 to 15, inclusive, offered at page 988, appearing at Folios 270 to 378, inclusive.

These exhibits consist of reports respectively made by the Hope Natural Gas Company, the Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company and The Manufacturers Light & Heat Company to the Board of Public Works of the State of West Virginia.

**F. C. DEVERICKS—DEFENDANT'S WITNESS.**

**Pages 1364 and 1365:**

West Virginia Exhibits Nos. 53 to 59, inclusive, offered at pages 1364 and 1365, appearing at pages 1922, 1929, 1934, 1938, 1940 and 1942, respectively.

These exhibits consist of copies of rate applications made by the Hope Natural Gas Company, United Fuel Gas Company, Pittsburgh and West Virginia Gas Company, Reserve Gas Company and The Manufacturers Light & Heat Company, respectively.

XII.

THE RELATION OF THE HOPE NATURAL GAS COMPANY, PITTSBURGH AND WEST VIRGINIA GAS COMPANY, UNITED FUEL GAS COMPANY, COLUMBIA GAS AND ELECTRIC COMPANY AND THE MANUFACTURERS LIGHT & HEAT COMPANY TO OTHER PRODUCERS OF GAS AND GAS COMPANIES OPERATING IN WEST VIRGINIA AND THE RESPECTIVE HOLDINGS OF WELLS, LEASES, PRODUCTION, THE AMOUNT OF GAS EXPORTED BY SAID COMPANIES, MILES OF PIPE LINES OWNED, &C.

H. E. NEASE—DEFENDANT'S WITNESS.

Pages 995 and 996 :

“Q. Are you able to give us the figures as to what percentage of the total net supply for public service of West Virginia Gas is controlled by these seven companies?

A. I am.

Q. Are your figures in that regard based upon the information and knowledge you have testified about previously?

A. They are.

Q. Will you give us in the record the total net supply for public service of all gas produced in West Virginia and then the net supply for the seven companies; then the percentage of the total net supply which

is controlled by the seven companies for the years 1911 to 1919, inclusive?

Answer—

*Statement Showing Total Net Supply for Public Service of Natural Gas Produced within West Virginia and the Total thereof of the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company, and Manufacturers Light and Heat Company Combined for the Seven Companies.*

1911-1919.

	Total net supply for public service.	Net supply of the seven companies.	Percentage of the net supply of the seven companies to the total net supply.
	<i>M cu. ft.</i>	<i>M cu. ft.</i>	
1919.....	183,687,047	164,426,341	89.5%
1918.....	227,649,823	201,685,702	88.6%
1917.....	245,620,686	223,517,777	91.0%
1916.....	259,414,200	200,892,583	85.1%
1915.....	207,777,882	179,694,495	82.1%
1914.....	200,762,645	166,625,730	83.0%
1913.....	209,131,295	167,897,746	80.3%
1912.....	203,112,738	172,050,962	84.7%
1911.....	173,132,353	147,431,246	85.1%

Pages 996 and 997 :

“Q. Are you able to give us a statement which will show the amount of gas produced in West Virginia which is used by the West Virginia consumers, and the percentage thereof with reference to the total net supply of such gas?

A. I have such a statement.

Q. Please put it in the record.

Answer—

*Statement Showing Total Net Supply for Public Service  
of Natural Gas Produced within West Virginia and  
Total thereof Furnished to West Virginia Consumers.*

1911-1919.

	Total net supply for public service. <i>M cu. ft.</i>	Sales to West Va. consumers <i>M cu. ft.</i>	Percentage of the total net supply sold to West Va. consumers
1919.....	183,687,047	46,654,098	25.4%
1918.....	227,649,823	52,985,173	23.3%
1917.....	245,620,686	48,942,388	19.9%
1916.....	259,414,200	59,409,460	22.9%
1915.....	207,777,882	53,147,718	25.6%
1914.....	200,762,645	50,600,709	25.2%
1913.....	209,131,295	53,629,419	25.6%
1912.....	203,112,738	51,968,488	25.6%
1911.....	173,132,353	40,265,294	23.3%

Q. The column on that statement just given, and under the heading "Total net supply for public service" is the total net public supply for the state, is it not?

A. It is of all gas produced within the state.

Q. Now, under the next heading, "Sales to West Va. consumers," have you embraced all of the consumers in West Virginia?

A. That is consumption that was used in public service or delivered to the public.

Q. And the third heading is the percentage which the amount so used in West Virginia bears to the total public supply?

A. Yes."

Page 997.

*"Statement Showing Total Net Supply for Public Service of Natural Gas Produced within West Virginia of the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company, and Manufacturers Light and Heat Company and the Total Thereof Furnished by the said Seven Companies to West Virginia Consumers:*

1911-1919.

	Total net supply of the seven com- panies.	Sales to West Virginia consumers.	Percentage of total supply of seven companies sold to West Virginia consumers.
	M cu. ft.	M cu. ft.	
1919.....	164,426,341	29,360,811	17.9%
1918.....	201,685,702	30,120,273	14.9%
1917.....	223,517,777	26,889,876	12.0%
1916.....	220,892,583	24,526,859	11.1%
1915.....	170,694,495	18,860,867	11.0%
1914.....	166,625,730	20,612,599	12.4%
1913.....	167,897,746	22,297,677	13.3%
1912.....	172,050,962	21,101,443	12.3%
1911.....	147,431,246	17,200,747	11.7%"



*Statement Showing Counties in West Virginia Operated within and Municipalities Served by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company, and Manufacturers Light and Heat Company and the Population of Such Counties and Municipalities as of December 31, 1919.*

Counties.	Population, 1920.	Number of companies operating within	No. of Municipalities served. & population thereof.	
			No. served.	Population
Barbour .....	18,028	2	....	.....
Boone .....	15,319	1	....	.....
Braxton .....	23,973	33	....	.....
Brooks .....	16,527	2	4	8,667
Cabell .....	65,746	2	2	51,151
Calhoun .....	10,268	3	....	.....
Clay .....	11,486	2	....	.....
Doddridge .....	11,976	5	....	.....
Fayette .....	60,377	1	....	.....
Gilmer .....	10,668	4	....	.....

*Statement Showing Counties in West Virginia Operated within and Municipalities Served.*  
Continued:

Counties.	Population, 1920.	Number of companies operating within	No. of Municipalities served. & population thereof.	
			No. served.	Population
Hancock .....	19,975	1	3	6,312
Harrison .....	74,793	5	...	.....
Jackson .....	18,658	1	2	1,864
Kanawha .....	119,650	3	4	45,107
Lewis .....	20,455	4	...	.....
Lincoln .....	10,378	2	...	.....
Logan .....	41,006	2	1	2,998
Mason .....	21,459	1	...	.....
Marion .....	54,571	4	3	4,881
Marshall .....	33,681	4	3	18,798
Mingo .....	26,364	2	2	7,455
Monongalia .....	33,608	4	1	218
Niccolas .....	20,717	1	...	.....
Ohio .....	61,006	1	...	.....
Pleasants .....	7,379	3	1	1,648

*Statement Showing Counties in West Virginia Operated within and Municipalities Served.*  
Continued:

	Population, 1920	Number of companies operating within	No. of municipalities served & population thereof.	
			No. served	Population.
Putnam .....	17,531	2	1	666
Raleigh .....	42,482	2	....	.....
Ritchie .....	16,506	4	....	.....
Roane .....	20,129	1	3	2,423
Taylor .....	18,742	2	1	8,517
Tyler .....	14,186	4	4	4,555
Upshur .....	17,851	2	....	.....
2236				
Webster .....	11,562	1	....	.....
Wetzel .....	23,069	4	7	7,496
Wirt .....	77,536	1	....	.....
Wood .....	42,306	2	2	21,843
Wayne .....	26,012	2	5	4,870
Totals.....	1,065,980	—	49	199,469

**Page 1015:**

West Virginia Exhibit No. 18, offered at page 1015 by witness Nease, appearing at Folios 402 to 412.

Statement showing number of consumers in West Virginia furnished natural gas by the Hope Natural Gas Company, Pittsburgh and West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas & Electric Company, and The Manufacturers Light & Heat Company, combined for the seven companies.

**NOTE:** This includes 18-A to 18-J, which give the consumers for each of said companies separately.

The Exhibit setting forth the figures for the combined companies shows that they furnished a total of 34,400 consumers in West Virginia in 1910, and that this number increased gradually to 58,841 in 1919. Domestic and industrial consumers and local utilities are included.

**Page 1018:**

West Virginia Exhibit No. 19, offered at page 1018, appearing at Folios 414 to 423.

Statement showing distribution of the net supply of West Virginia natural gas combined for the seven companies.

**NOTE:** This includes 19-A to 19-I, which show figures for each company separately.

The figures for 1911 and 1919 are as follows:

	Total furnished to West Virginia consumers	Transported, or sold for trans- portation to other states
1919	29,360,811,000 cu. ft.	135,065,530,000 cu. ft.
1911	17,200,747,000 cu. ft.	130,230,499,000 cu. ft.

Pages 1037 and 1038:

The Manufacturers Light & Heat Company produces gas, has pipe lines or serves consumers in the following West Virginia counties: Doddridge, Harrison, Marion, Monongalia, Tyler, Wetzel, Marshall, Ohio, Brooke and Hancock; the Reserve Gas Company in Harrison, Lewis, Ritchie, Wood, Pleasants and Doddridge.

The Pittsburgh and West Virginia Gas Company has such service in the counties of Braxton, Doddridge, Gilmer, Harrison, Lewis, Marion, Monongalia, Ritchie, Taylor, Tyler and Wetzel.

The Carnegie Natural Gas Company produces, has pipe lines or serves consumers in Braxton, Doddridge, Gilmer, Harrison, Lewis, Taylor, Tyler, Marion, Monongalia Ritchie and Wetzel.

The Hope Natural Gas Company in Barbour, Braxton, Calhoun, Doddridge, Gilmer, Harrison, Lewis, Marion, Marshall, Monongalia, Pleasants, Ritchie, Rome, Tyler, Upshur, Wetzel and Wirt; also Wood and Taylor.

The Columbia Gas and Electric Company covers the counties of Cabell, Lincoln, Putnam and Wayne.

The United Fuel Gas Company in Boone, Cabell, Calhoun, Clay, Gilmer, Jackson, Kanawha, Lincoln, Logan, Mingo, Putnam, Poane and Wayne.

Pages 1062 and 1063:

The large interstate gas companies supply much free gas to consumers in West Virginia, for obtaining rights of way, &c. This free gas is not included in West Virginia Exhibit No. 16.

CHARLES E. KREBS—DEFENDANT'S WITNESS.

Pages 1101 and 1102:

The amount of gas shipped out of the State of West Virginia for the years 1914 to 1918, inclusive: for the year 1914, 141,341,928 M. cubic feet were shipped out of West Virginia, that being 59.77 of the total production; for the year 1915 there were shipped out of West Virginia 149,027,454 M. cubic feet, or 61.08 per cent. of the total production; for the year 1916 there were shipped out of West Virginia 194,214,899 M. cubic feet of gas or 64.90 per cent. of the total production; for the year 1917 there were shipped out of West Virginia 193,128,909 M. cubic feet, or 62.58 per cent. of the total production, and for the year 1918 there were shipped out of West Virginia 157,487,473 M. cubic feet, or 59.12 per cent. of the total production of gas in the State.

J. K. ANDERSON.

Pages 815-817:

Pennsylvania Exhibit No. 28, offered at page 815, appearing at page 1566.

Showing natural gas production statistics for the year 1919 in West Virginia, being also a record of gas production and purchases. This table shows the gas produced by natural gas utilities and the gas purchased from other than utilities, together with the totals, first, in all States, and, secondly, in West Virginia.

Pennsylvania Exhibit No. 29, offered at page 817, appearing at page 1567.

This is a chart showing the production and consumption of natural gas in the State of West Virginia for the years 1904 to 1920. This chart shows that the production of natural gas rapidly increased from 1908 to 1917, since which time it has steadily declined, and that the consumption from 1908 to 1917 gradually increased, from which time it has slightly declined.

H. E. NEASE.

Pages 994 and 995:

West Virginia Exhibit No. 16, offered at page 995, appearing at Folios 379 to 388, showing the supply of natural gas produced and acquired within West Virginia by the great interstate gas companies.

Exhibit No. 16 is a combined report. Exhibits Nos. 16-A to 16-I, inclusive, are separate reports on the same subject for the years 1911 to 1918, inclusive.

CHARLES E. KREBS.

Pages 1092 and 1093:

The quantities of gas produced in the State of West Virginia for the years 1914 to 1918, inclusive, are as follows, according to the reports of the United States Geological Survey:

2  
6  
9

For the year 1914, 236,489,175 M cubic feet;  
For the year 1915, 244,004,159 M “ “ ;  
For the year 1916, 299,318,907 M “ “ ;  
For the year 1917, 308,617,101 M “ “ ;  
For the year 1918, 265,160,917 M “ “ ;

**H. E. NEASE—DEFENDANT'S WITNESS.**

Pages 1165 to 1168:

Monthly reports of gas production of the Hope Natural Gas Company for July, 1919, showing cities and towns served in West Virginia; active domestic and industrial consumers in those towns; total of meters in use, and volume in Cubic feet of gas sold. Showing gas sold to various utilities; showing industrial and domestic consumers served and the volume of cubic feet of gas furnished through the field and main lines of the Company. The total gas sales for the month amounted to 3,426,445,000 cubic feet to the consumers above named. The total gas purchased in and out of West Virginia for that period was 1,329,097,000 cubic feet.

**EDWIN ROBINSON.**

Page 1382:

Pennsylvania Exhibit No. 51, offered at page 1382 by witness Robinson, appearing at page 1605.

This is a statement showing the production and consumption of natural gas within West Virginia, importations to and exportations from the State, for the year ending December 31, 1919.



	Production within West Virginia.	Importations to West Virginia from other States	Total of columns 1 and 2	Consumption within West Virginia	Exported from West Virginia to other States.
Total	219,886,837	3,822,162	223,708,999	83,769,937	139,939,062
1919					
Total	280,289,044			105,624,394	174,664,650
1918					

Page 1382:

Pennsylvania Exhibit No. 52, offered at page 1382 by witness Robinson, appearing at pages 180a-181 (following page 1605):

Statement showing classification of consumption of natural gas within the State of West Virginia for the year ended December 31, 1919.

	Number of domestic consumers.	Domestic sales (M cu. ft.)	Number of industrial consumers.	Industrial* sales (M cu. ft.)	Consumption by carbon black factories (M cu. ft.)	Total (M cu. ft.)
Totals	130,780	18,699,309	1,911	44,306,839	20,763,790	83,769,937
1919						
Totals	125,341	19,618,873	1,542	52,005,521	34,000,000	105,624,394
1918						

\*Includes Free Gas, Drilling Wells, etc., Sales.

Page 1383:

Pennsylvania Exhibit No. 53, offered at page 1383 by witness Robinson, appearing at page 1606:

*"Ebert's Statement on West Virginia Natural Gas Production, Importation, Sales, and Exportation for Year 1920:*

Pa. Exhibit No. 53.

3-21-1921.

J.R.S.

## INSPECTION DEPARTMENT, GAS UTILITIES.

### *Summary of the Natural Gas Production, Importation, Sales, and Exportation for the Fiscal Year Ending June 30, 1920.*

I.	Sold in cities and towns in			
	W. Va.	51,525,765	Mcf.	
J.	Sold in field and main lines in			
	W. Va.	35,883,029	"	
K.	Total sales in W. Va.	87,408,794	"	87,408,794 Mcf.
L.	Sold to W. Va. utilities	48,806,800	"	
M.	Exported from W. Va.	142,519,562	"	
N.	Line loss, etc.	66,357	"	
O.	Credit total	278,801,513	"	
C.	Purchased from W. Va.			
	producers	34,932,777	Mcf. from	1,074-2/12 wells*
E.	Purchased from W. Va.			
	utilities	49,012,245	"	
F.	Imported to W. Va.	5,435,663	"	
G.	Error in reporting	326	"	
	Total purchases and			
	imports	89,381,011	"	89,381,011 Mcf.
B.	Produced by utilities from			
	7,709-5/12 wells*	189,420,502	"	
H.	Debit total	278,801,513	"	

In item F, 755,666,000 cubic feet of the 5,435,663,000 was 'forced importation' through a main trunk line, from the McKeesport, Pa., gas field, while the latter was in its prime. While the utility exports gas to Pennsylvania regularly and imports none from Pennsylvania, it was compelled to take the quantity named above during one month.

CHARLES B. EBERT,  
*Acting Chief Inspector.*

\*Monthly average of wells.

Page 1378:

Pennsylvania Exhibit No. 50, offered at page 1378, by witness Robinson, appearing pages 1603, 1604 and 1605:

Natural Gas Statistics—State of West Virginia.

The total production of natural gas within the State of West Virginia, for the year ended December 31, 1919, was approximately 220 billion cubic feet. Approximately 80 billion cubic feet of the State's production (or the equivalent thereof) and 4 billion cubic feet of imported gas was consumed within West Virginia and approximately 140 billion cubic feet piped to other States.

The production of natural gas within West Virginia for the years 1908 to 1919, both years inclusive, was as follows:

Year	Cubic Feet.
1908.....	112,181,278,000
1909.....	166,435,092,000
1910.....	190,705,869,000
1911.....	206,890,576,000
1912.....	239,006,682,000
1913.....	245,453,985,000
1914.....	236,489,175,000
1915.....	244,004,159,000
1916.....	299,318,907,000
1917.....	289,898,967,000
1918.....	280,289,044,000
1919.....	219,886,837,000

The statement following shows the quantity of natural gas exported from the State.

Year	Percentage of State's	
	Exported from State (cubic feet)	total production
1908.....	61,644,618,000	55%
1909.....	96,074,387,000	58%
1910.....	120,508,811,000	63%
1911.....	132,867,059,000	64%
1912.....	151,144,250,000	63%
1913.....	155,501,876,000	63%
1914.....	150,161,936,000	63%
1915.....	154,630,164,000	63%
1916.....	200,004,740,000	67%
1917.....	196,679,263,000	68%
1918.....	174,664,650,000	62%
1919.....	139,939,062,000	64%

#### Industrial Consumers.

Year	Percentage of State's	
	Gas Consumed (cubic feet)	total production
1909.....	60,453,682,000	36.4%
1910.....	59,023,550,000	31.1%
1911.....	62,711,802,000	30.5%
1912.....	74,574,273,000	31.4%
1913.....	76,990,310,000	31.7%
1914.....	72,062,030,000	31.0%
1915.....	74,153,788,000	30.7%
1916.....	83,767,519,000	27.9%
1917.....	76,816,465,000	26.5%
1918.....	86,005,521,000	31.1%
1919.....	65,015,951,000	27.5%

Large quantities of natural gas are used within the State in the manufacture of carbon black. The average yearly consumption for the last ten years for this purpose was approximately 23 billion cubic feet per year. During the year 1919, approximately 21 billion cubic feet was used for this purpose. The figures for "Industrial Consumption" include this gas.

Prepared by H. E. Nease, Statistician, Public Service Commission of West Virginia.

HARRY A. QUAY.

Page 160:

The Hope Natural Gas Company has no stock in The Manufacturers Light and Heat Company.

JOHN B. CORRIN.

Page 356:

"Q. Can you give us the names of some of the larger companies that are operating in the State of West Virginia—I mean gas companies—with which the Standard interests are in no way affiliated?

A. The Philadelphia Company or otherwise the Pittsburgh and West Virginia; The Carnegie Natural Gas Company; The United Fuel Gas Company; The Manufacturers Light and Heat Company; The West Virginia Central; The Fayette County Gas Company, and numerous smaller companies."

H. A. WALLACE.

Pages 378-379:

"The United Fuel Gas Company \* \* \* is not owned or controlled by the Standard or any affiliated companies

belonging to the Standard in any way. \* \* \* The capital stock of the United Fuel Gas Company is owned by the Columbia Gas & Electric Company and the Ohio Fuel Supply Company."

W. W. FREEMAN.

Page 469:

"\* \* \* There is no financial connecting whatever between the Ohio Fuel Supply Company and the Columbia Gas and Electric Company."

JAMES H. REED.

Page 508:

"\* \* \* The Philadelphia Company \* \* \* stock is very much scattered and, to my knowledge, no person connected with any of the Standard Oil interests has any interest."

J. E. ANGLE.

Pages 553-554:

"Q. Do you know whether or not the Fayette County Gas Company is in any way connected or affiliated with any of the so-called Standard companies?"

A. Not that I know of."

T. J. JONES.

Page 638:

"Q. And who is the owner of the Columbus Gas and Fuel Company and the Federal Gas and Fuel Company?"

A. The Pure Oil Company."

L. B. DENNING.

Page 658:

"The Ohio Fuel Supply Company owns all of the stock of the Northwestern Ohio Natural Gas Company."

Page 682:

" \* \* \* So far as operation or management or dictation or control of company policy is concerned the group of men commonly designated as 'Standard Oil' nor any of the Standard Oil companies have anything whatever to say as to the management and control or dictation of policy of the Ohio Fuel Supply Company."

JOHN B. CORRIN.

F. B. ROBINSON.

Pages 353-1205:

The Standard Oil Company of New Jersey owns about 51% of the stock of the Clarksburg Light and Heat Company.

JOHN B. CORRIN.

JOHN B. TONKIN.

Pages 321, 424:

The Standard Oil Company of New Jersey owns the stock of and controls the River Gas Company and the Peoples Natural Gas Company; the Hope Natural Gas Company and the Union Gas Corporation own all

the stock of the Reserve Natural Gas Co. and Connecting Gas Companies in the proportion of about 51% and 49% respectively.

HARRY A. QUAY.

Page 1508-Pa. Exhibit No. 14.

The number of Stockholders in the Manufacturers Light and Heat Company total 4,170.

H. E. NEASE.

Pages 998 and 999:

Some of the larger oil companies produce gas to a limited extent, and such companies as the South Penn Oil Company, which is closely allied with the Hope Natural Gas Company and the Reserve Gas Company, market their gas to the Hope Natural Gas Company and the United Fuel Company. The Ohio Fuel Oil Company is a large gas producing company and in its earlier years it was closely allied to the United Fuel Gas Company. The Carter Oil Company is allied to the Hope and Reserve Companies, these being Standard Oil Companies. These affiliated oil companies market their gas to the kindred gas companies. The Ohio Fuel Oil Company sells practically all the gas that it produces to the United Fuel Gas Company. The South Penn sells practically all of the gas that it produces (or did until recently) to the Fayette County Gas Company, which is closely allied with the Hope Company.

Page 1019:

The records of the Public Service Commission of the State of West Virginia show that 212 independent producers market their gas to the large interstate companies.



**Page 1021:**

Some of the large interstate gas companies exchange gas. For example, the Reserve Gas Company handled through its lines some gas for the Hope Gas Company and there is now an arrangement between the Pittsburgh and West Virginia Gas Company and the Eastern Oil Company group, by which the Pittsburgh and West Virginia exchanges some gas in the territory where the Eastern Oil Company group companies are operating for some isolated production that the Eastern Oil Company group has from one well in Gilmer County. They are now building a pipe line to that well of the Eastern Oil Company in Gilmer County.

*Statement Showing Productive Gas Wells within  
West Virginia.*

**1910-1918.**

Dec. 31—	Total all producers	Hope Nat. Gas Co., Pgh. & W. Va. Gas Co., United Fuel Gas Co., Reserve Gas Co., Car. Nat. Gas Co., Col. Gas & El. Co., Mfg. L. & H. Co.			Percentage of total owned by the seven companies.
1918.....	9,687	7,086			73.2%
1917.....	9,329	6,763			72.5%
1916.....	8,542	6,161			72.1%
1915.....	7,718	5,458			70.7%
1914.....	7,194	5,037			70.0%
1913.....	6,534	4,578			70.1%
1912.....	5,604	3,897			69.6%
1911.....	4,790	3,354			70.0%
1910.....	4,052	2,890			71.3%

Page 1030:

The Pittsburgh and West Virginia Company has taken over the properties of the Fairmont Natural Gas Company and the properties of the Philadelphia Company of West Virginia. The Pittsburgh and West Virginia Company is the changed name of the old Fairmont and Grafton Gas Company, a local West Virginia corporation, the control of which passed into the hands of the Pittsburgh and West Virginia Company in 1913.

Page 1031:

The United Fuel Gas Company acquired the properties of the United States Natural Gas Company:

“The United Fuel Gas Company has acquired no other—the property of no other natural gas utility companies. The United States Natural Gas Company, however, the company which it acquired, as I have stated, was made up of numerous smaller natural gas companies, including the Triple State Natural Gas Company, The Kanawha Natural Gas, Light & Fuel Company, The Charleston Natural Gas Company and some of the properties of the Kanawha Gas Company. The United Fuel Gas Company was reorganized along about the time it took over the properties of the United States Natural Gas Company and its stock very greatly increased. At this time it also took over from the Hope Natural Gas Company a great block of leases, south of the little Kanawha River.

I think that about covers the development of the company.”

Pages 1032 and 1033:

The Standard Oil Company of New Jersey was at one time interested in the United Fuel Gas Company, and the majority of the stock up until 1910 was held by the Standard Oil Company of New Jersey. The United Fuel Gas Company has transferred considerable gas territory to the Hope Company. There is an agreement between the United Fuel Gas Company and the Hope Natural Gas Company, or the interests controlling these two companies, with reference to the territory north of the Kanawha River and the territory south of the Kanawha River.

Pages 1081 and 1082:

The Standard Oil Company has been dissolved by a decision of the Supreme Court of the United States, and the stock of the South Penn Oil Company was distributed among the individual stockholders.

J. S. LAKIN—DEFENDANT'S WITNESS.

Pages 1169 to 1174:

By deed dated June 27th, 1911, the Wheeling Natural Gas Company, Tri-State Gas Company and The Manufacturers Light & Heat Company, West Virginia corporations, and The Manufacturers Light & Heat Company, a Pennsylvania corporation, granted and transferred to the Hope Natural Gas Company, a West Virginia corporation, 892 leases of gas land covering 65,205.15 acres located in Harrison, Lewis, Marion, Upshur, Braxton and Gilmer Counties; also 20 gas-purchase contracts covering gas produced from 9839.75 acres; also over 100 rights of way over various farms; also 177,867 feet of pipe lines.

By deed dated April 1, 1910, the Mountain State Gas Company, a West Virginia corporation, transferred certain property to the Hope Natural Gas Company, including 180 leases of gas territory covering 23,610 acres located in Ritchie, Gilmer, Pleasants, Wirt, Tyler, Wetzel and Calhoun Counties, W. Va.; also over a thousand rights of way over farms in the counties above named and also in Lewis, Harrison, Doddridge and Wood Counties, West Virginia. The same deed transferred 101 wells in Pleasants, Ritchie, Tyler, Wetzel, Calhoun, Gilmer and Wirt Counties, West Virginia. The deed further transferred to the Hope Company eight franchises given by the municipalities of Parkersburg, St. Marys and Sistersville.

**B. F. ROBINSON—DEFENDANT'S WITNESS.**

Pages 1204 and 1205:

There was a merger of the Clarksburg Light & Heat Company and the Mountain State Gas Company which included a transfer to the former of all the property of the latter, and, in addition the property and franchise of the West Fork Oil & Natural Gas Company, with the exception of some leases which had previously been sold. Of the stock in the new company formed by the merger, 51 per cent. was subscribed for by interests representing the Standard Oil Company of New Jersey. The latter are represented by four of the seven stockholders constituting the Board of Directors.

**HARRY A. QUAY**

Pages 12-13:

"In practically all gas fields there is more or less competition; and the belief is if you don't sell the gas,

your competitors draw on that territory and sell it, and that you had better sell your gas, what you can, before the other fellow sells it. Competition has been so keen that we have always attempted to sell practically all the gas drilled. Years ago, when there was not the demand for natural gas that there is today, there was a large surplus amount of gas, and we made great efforts to find markets for the gas and dispose of it. I don't wish to imply that those same conditions still apply to the present day."

Page 46 :

"The competitive bidding for leases, I consider, is very much more extensive now than perhaps formerly. There is keen competition for leases.

T. O. SULLIVAN

Page 220 :

"In my opinion, it (competition) is more pronounced than ever before."

JOHN B. CORRIN.

Page 357 :

"There certainly has been strong competition, and we feel that competition is stronger today than it ever was. There is a greater demand for gas territory now than there ever has been, and a greater endeavor by these different gas companies to get it—even reasonably good territory."

H. A. WALLACE.

Page 371:

"There is a large amount of competition along the line of taking up leases, and it is steadily increasing. That is, competition is getting stronger."

J. K. ANDERSON.

Page 827:

"There is an active competition between large companies and smaller producers in endeavoring to lease new territory in new fields."

GEORGE W. WILSON—DEFENDANT'S WITNESS.

Pages 1302 and 1303 (Cross-examination):

There is pretty vigorous competition between the Hope Company and the Pittsburgh & West Virginia Company to obtain the gas production of the independent producers in the fields where those companies have pipe lines.

H. E. NEASE—DEFENDANT'S WITNESS.

Pages 1026, 1034, 1035, 1036:

Some of the larger cities in West Virginia, such as Morgantown, Fairmont, Clarksburg, Weston, Shinnston, Lumberport, Bridgeport, Salem, Pennsboro Harrisville and Cairo are served by local utilities. There are also a great many cities and towns served by local utilities in the southern section of the State. Some of the larger companies sell gas to local utilities which supply the local communities, for example: The Carnegie Natural

Gas Company sells gas to the West Virginia Traction and Electric Company which supplies Morgantown; the Pittsburgh and West Virginia Gas Company sells gas to utilities serving Fairmont, Marion County, and vicinity of Glenville; the Clarksburg Light and Heat Company serves Clarksburg and the vicinity; the Light, Fuel & Power Company serves Sutton, Braxton County, and, indirectly, Gassaway and various smaller towns in Braxton County; the Keener's Oil, Natural Gas and Fuel Company serves Weston, Lewis County; the Comet Oil and Gas Company serves Pruntytown and some smaller towns in Taylor County; the West Virginia Heat and Light Company serves the towns of Ellenboro, Pennsboro and Cairo in Ritchie County; the Clarksburg Light and Heat Company secures gas from the Hope Natural Gas Company; the United Fuel Company sells gas to Charleston-Dunbar Natural Gas Company which supplies a small portion of Charleston, the incorporated cities of Saint Albans and South Charleston, and the towns of Dunbar, Spring Hill and Institute in Kanawha County. The Columbia Gas and Electric Company and the Reserve Gas Company do not sell any gas to local utilities.

CHARLES A. SHORT—DEFENDANT'S WITNESS.

Pages 1295, 1296:

The smaller gas companies in West Virginia are unable to go out in the field, purchase gas and have it transported to their lines by the pipe line companies. The larger companies have never made a practice of exchanging gas with the small local companies. An attempt on the part of the Home Petroleum Natural Gas Company to purchase natural gas from the Hope people in Pittsburgh was unsuccessful.

B. F. ROBINSON.

Pages 1208; 1212, and 1214:

I. WADE COFFMAN.

Page 1219:

R. T. CUNNINGHAM.

Pages 1234 to 1236, and 1247 and 1248:

CHARLES M. SNAITH.

Pages 1254, 1258, 1266, 1267, 1268 to 1270, and 1273:

CHARLES A. SHORT.

Pages 1275, 1277; 1277 to 1279, 1288 and 1289, 1293, and 1295:

VANCE L. HORNER.

Pages 1305, 1306, 1307; 1307 and 1308 and 1310 and 1311:

PARK BOWSER.

Pages 1331 and 1332, and 1335 and 1336.

F. C. DEVERICKS.

All the above are Defendant's Witnesses.

Pages 1351 to 1354, 1353 and 1354, 1357 and 1358, and 1361 to 1363:



Prior to and coincident with the operation of the great interstate gas companies in the gas industry, independent producers and small local gas companies operated in West Virginia. As a general rule the independent producers did not proceed to develop discoveries of gas producing sands into a complete gas industry or business. They were usually content to find a market in some company already operating and furnishing gas to consumers in order that they, the independent producers, would not be compelled to undergo the expense laying pipe lines or of building pump or compressor stations. Sometimes their interests lay rather in the speculative field of the gas industry than in the developing and distributing lines. Most often their operations consisted in selling gas as quickly as possible to the larger companies.

F. C. DEVERICKS—DEFENDANT'S WITNESS.

Pages 1353 and 1354:

"A. The rule was this: That those who were financially able to do it would rather have had the large acreage, but those who were simply promoters and cared but little whether it was a productive well or non-productive well, preferably non-productive, in some cases where they would be selling interests, and there would be more money in not having a well produce than there would be in having it produce.

Q. I wish you would give the formula for that. It is rather a new adventure in finance. Will you explain to us how it would be profitable for promoters, even in West Virginia, to take up a property and make more money out of it when it would not produce than when it did?

A. This is not for the record——

Q. Yes, this is for the record.

A. All right, then I will say this: There has been a great many men who came here following the oil business, who would promote a company, and not only here, but every other field throughout the United States, I think I am safe in making it the United States, who have gone into the territory and gathered up leases, or a lease, rather, a small acreage, and started out to sell a one-thirty-second or a sixteenth or a quarter or one-eighth or something like that, simply for the money that they would be able to obtain for those interests in excess of what it would cost to drill a well, and there has been men who lived on that; and we had a recent example of that in McKeesport, and I am surprised that counsel had never heard of McKeesport.

Q. Do you want that to go down to the court as your answer to my question?

A. I asked for permission not to put that in the record. Every word of which is true.

Q. Is that your answer to my question? And I ask the stenographer to repeat the question to the witness.

(The question read by the stenographer as follows):

“Q. I wish you would give the formula for that. It is rather a new adventure in finance. Will you explain to us how it would be possible for a promoter, even in West Virginia, to take up a property and make more money out of it when it would not produce than when it did?”

Q. Now, the question having been read, I repeat and ask you if you want the answer you just made to be your answer?

A. It is the formula you are asking for. That is the formula. The answer which I gave you is the formula."

So far as regards the local companies, their operations are almost invariably carried on in a small way, at least when compared to those of the larger interstate companies. A few specific examples may be cited: For instance, the Monongahela Valley Traction Company has approximately 18,000 acres of gas territory in the region of Fairmont, five or six thousand acres of which are developed. The Home Petroleum Gas Company owns some 250 acres in Harrison County, and about 80 acres in Marion County, upon which are six wells. The Company possesses no pumping station. The Lumberport Gas Company, serving Lumberport, Haywood, Erie, Hepzibah and a number of small towns surrounding, has territory consisting of some 37 drilled acres and five wells on separate tracts. The Horner Gas Company, from which the Lumberport Gas Company buys some gas, has about 80 acres of developed territory and five wells. The Eagle District Gas Company has about 160 acres. The Lumberport Company has no pump or booster station.

As a rule, the small companies in West Virginia, including those cited above, hold little or no reserve acreage. This is not due always, or even in a majority of cases, to the lack of gas territory. For instance, at the time the Keener Natural Gas, Oil & Fuel Company, supplying Weston, West Virginia, entered that town

some 25 years ago there was ample opportunity to take up additional acreage. Weston afforded the Company a market for its gas. (page 1267).

Financial conditions limited the operations of such companies to a very considerable degree. It is not only the cost of reserve acreage which prevents these companies from acquiring same but the necessity incidental thereto of laying pipe lines from their present holdings or transmission lines to such new territory, assuming that the latter would be productive of a gas supply. For the same reason these small companies are unable to build compressor stations which would have enabled them to obtain more gas from wells where the pressure had decreased to an extent where without a compressor station very little gas was to be had. For instance, the Home Petroleum Gas Company had an opportunity recently to obtain more gas by laying three or four miles of pipe line, but although it had considered the proposition, decided that the investment was not advisable.

(Page 1295.)

**F. C. DEVERICKS—DEFENDANT'S WITNESS.**

Pages 1357 and 1358:

It was generally assumed that the South Penn Oil Company, which had taken up a number of leases in West Virginia fields and districts, had suffered considerable financial loss through these operations. They had been, in a way, pioneers in the field, in that theirs was the first attempt to take up any considerable acreage or leases and do a large amount of drilling on the territory. The company was generally supposed to have lost millions of dollars in the adventure. As a

general rule the small independent operators, either individual or associate, did not feel warranted in marketing gas directly to the consumer. The reason is, that their holdings, generally being comparatively small, their production did not warrant the financial expenditure involved in building pipe lines to transport their gas, and, further, since their territory is somewhat limited they cannot feel assured of a number of consumers sufficient to use all the gas they can produce. The result is that the larger companies soon learn of the existence of gas in these territories and extend their pipe lines there and buy up the gas from these independent producers. It is therefore the larger companies who supply the consumers in the territory where gas is discovered, even though they do not themselves produce it in that territory. This, however, is only a general rule, for sometimes the independent producers themselves lay their own pipe lines and supply consumers direct. The consequence is that there are some gas distributing plants in most of the centers of population in West Virginia in and around Bradford and surrounding districts which were originally built by local capital, although some have been built by larger companies.

At least one of the smaller local companies, however, is doing some development. The Clarksburg Light & Heat Company recently acquired two or three thousand acres in Harrison County, which, however, had been previously operated. The Company has been drilling continuously on an average of from 15 to 20 new wells per year, the cost of which was from twelve to thirteen thousand dollars each (pages 1208 to 1212).

**H. E. NEASE—DEFENDANT'S WITNESS.**

**Pages 1020-1021 :**

As a general rule the independent producers of gas do not have pipe lines for the transportation of their gas to market, nor do they have a market financed by local capital and by local enterprises. They have never had large capitalizations or large financial resources at their command and during the past fifteen years many of them have failed and gone out of business. They do not control a great deal of territory nor do they have any pipe lines or pumping stations. Their gas is distributed by natural rock pressure of the gas wells.

**Pages 1028-1029, 1030, 1031 :**

The Manufacturers Light and Heat Company, the Pittsburgh and West Virginia Gas Company, and the United Fuel Company have absorbed and taken over many smaller companies originally operating in West Virginia.

**GEORGE W. WILSON—DEFENDANT'S WITNESS.**

**Page 1300 :**

In Lewis and Braxton Counties the independent producers are fewer in number than they have been in recent years. At one time a considerable number operated, drilled wells, etc., but their leases have been sold to larger companies, which is practically the only market for the independents. The only method of transporting gas furnished the independent producer is the pipe lines of the larger companies. The extent of their holdings does not justify the small producers to go to the expense of laying pipe lines of their own.

VANCE L. HORNER—DEFENDANT'S WITNESS.

Pages 1309, 1310, 1311, 1312:

An attempt to exchange gas by the Lumberport Gas Company and the Shinnston Company with the Hope Company was without success. The Carnegie Company operating in the same vicinity as the Lumberport and Shinnston Gas Companies takes its gas at the present time through its pumping station from its well at less than atmospheric pressure which results in reducing the pressure on the adjoining wells operated by the witness' companies. If this were resorted to by all the companies, the Shinnston and Lumberport Gas Companies would be reduced to either establishing pumping stations or find it impossible to get gas from their wells. The financial situation of these companies would not justify the establishment of pumping stations.

PARKE BOWSER—DEFENDANT'S WITNESS.

Pages 1333 to 1335 (Cross-examination):

Operating about seventy oil and gas wells in Calhoun, Ritchie and Gilmer Counties in association with some other individuals, Mr. Bowser had shut in about 2,000,000 feet of gas because the market conditions offered by the Hope Natural Gas Company, to whom this gas could have been sold, practically amounted to a confiscation of property. The price offered was too low and the conditions in the contract were wholly derogatory to the producers. Under the contract offered him by the Hope Company it would have been necessary to lay about twelve miles of pipe line which would have involved an expenditure of from \$12,000 to about \$15,000, which the company considered an unjustifiably high amount.

J. K. ANDERSON.

Page 822:

Pennsylvania Exhibit No. 31, offered at page 822, appearing at page 1568.

Statement showing relation of operated and unoperated leaseholds of large interstate natural gas companies and small local intrastate natural gas companies doing business in the State of West Virginia. The statement shows the seven companies owning of 2,954,120 acres of gas territory in West Virginia, of which 26.57 per cent. are operated, and 20 small local intrastate natural gas companies owning a total of 27,619 acres in West Virginia, of which 62.65 per cent. are operated. The figures are as of August 19th, 1920, and based upon reports to the Board of Public Works of West Virginia.

Pages 1026 to 1027, 1028:

The Hope Natural Gas Company, the Reserve Gas Company, the Carnegie Natural Gas Company, the Pittsburgh and West Virginia Gas Company and the Manufacturers Light and Heat Company are engaged in and have production and pipe lines in Harrison County, but none of these companies serve the towns of Clarksburg, Shinnston, Lumberport, Bridgeport and Salem in said Harrison County. The total acreage of that County is 266,240 acres and the total acreage of gas territory held by the five companies is 171,996 acres. The total number of gas wells producing gas in that county and owned by these five companies is 1,674. There are 57 independent producers, owning 160 wells, who sell to these five companies. The extent of pipe line owned and operated by the five companies in this County is 1,157 miles, said pipe



line being two inches and larger. The total number of domestic consumers in Harrison County served by the five companies is between 800 and 900, and about 100,000 cubic feet of gas is furnished these consumers. No industries in Harrison County are supplied with natural gas by these companies. The Pittsburgh and West Virginia Gas Company supplies about 100 consumers in the town of Shinnston. Some of the companies furnish gas to local utilities that supply some of the above mentioned towns. The assessed value of the property of the five companies in Harrison County for the year 1920 is \$13,915,199.

Pages 1027 to 1028:

The Hope Natural Gas Company, the Reserve Gas Company, the Carnegie Natural Gas Company and the Pittsburgh and West Virginia Gas Company are producing gas and have pipe lines in Lewis County, the acreage of said county being 251,520 acres and the population in 1920 being 20,455. The four gas companies control in that county 176,739 acres. The number of wells owned by the companies is 1,196 and they have purchased or are purchasing from 16 independent producers of gas owning 66 wells. The mileage of pipe line owned by said companies in Lewis County is 795 miles. The assessed value for their property for 1920 is \$10,630,629. About 1200 domestic consumers are supplied with gas by these companies. These are chiefly rural consumers and rural communities, no incorporated cities or towns being supplied by any of the four companies. There is practically no service for industrial consumers in Lewis County.

**J. S. LAKIN—DEFENDANT'S WITNESS.**

Page 1188:

Q. It is at this point that I will ask you to make part of your examination the statement in respect to the Eastern Oil Company group of gas companies, heading that in proper form and letting it go into the record as part of your direct examination.

**2589 Statement Showing Leases, Wells, and Pipe Lines Within West Virginia of "Eastern Oil Company Group" of Natural Gas Companies.**

	Leases (acres).	Gas wells (No.).	Pipe line (miles).
West Virginia Central Gas Company . . .	34.067	161	260
West Virginia and Maryland Gas Company . . . . .	None	None	220
Northern Natural Gas Company . . . . .	None	None	10
Totals . . . . .	34.067	161	490

Leases are located within the counties of Lewis, Harrison, Upshur, Barbour and Gilmer.

Gas wells are within the counties of Lewis, Harrison and Braxton.

The Eastern Oil Company also owns the following local gas companies operating within West Virginia. These companies are not connected with the company's general system.

	Leases (acres).	Gas wells (No.).	Pipe line (miles).
Salem Natural Gas Company . . . . .	386	6	57 miles,
West Union Gas Company . . . . .	367	3	1 to 8 $\frac{1}{4}$ " 20 miles,
Glenville Natural Gas Company . . . . .	200	1	1 to 6 $\frac{1}{4}$ " 17 miles,
			1 $\frac{1}{2}$ " to 5 $\frac{5}{8}$ "

The Salem Natural Gas Company operates within the counties of Doddridge and Harrison; the West Union Gas Company within Doddridge County and the Glenville Natural Gas Company within Gilmer County.

EDWIN ROBINSON.

Pages 1389-1392:

Made an investigation and compilation of the acreage held by operators in West Virginia; separated the acreage held by operators in West Virginia other than the Hope Natural Gas Company, Pittsburgh & West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas & Electric Company, and The Manufacturers Light & Heat Company; gave the amount of developed acreage held by other operators in the State of West Virginia than those seven companies, and the amount of undeveloped acreage; made an estimate of the amount held by other operators not included in the list, which did not purport to include all, both of developed and undeveloped acreage; offered in evidence Pennsylvania Exhibit 54 at page 1608, Vo. II of Exhibits, statement showing approximate acreage held by certain companies and individuals in West Virginia, comprising ten pages; offered in evidence general summary of acreage held by operators in West Virginia as compared with testimony of Mr. Nease, page 1618 of Exhibits, Vol. I, as follows:

**191 & 192    *General Summary of Acreage Held by Operators in West Virginia as Compared with Testimony of Mr. Nease.***

	Developed.	Undeveloped.	Total.
<b>Testified by Nease as held by seven companies</b> .....	689,305	1,866,721	2,556,025
<b>Ascertained as held by other operators</b> ..	524,007	1,416,659	1,940,666
<b>Estimated held by operators not included in above</b> .....	100,000	300,000	400,000
	<u>1,313,312</u>	<u>3,583,379</u>	<u>4,896,691</u>

***Percentage Held by Operators Other Than the Seven Companies Without the Estimate of Those Unascertained.***

Developed.	Undeveloped.	Total.
43.2	43.1	43.2

***Percentage With the Estimate of Those Unascertained.***

Developed.	Undeveloped.	Total.
47.5	47.9	47.9

*Argued Dec 9*

DEC 6 1921

WM. B. STANSBURY  
CLERK

**Supreme Court of the United States**

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**OCTOBER TERM, 1921.**

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*15-16*  
**NUMBER 18, ORIGINAL.**

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**THE STATE OF OHIO,**

**Complainant,**

**vs.**

**THE STATE OF WEST VIRGINIA,**

**Defendant.**

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**BRIEF ON BEHALF OF COMPLAINANT.**

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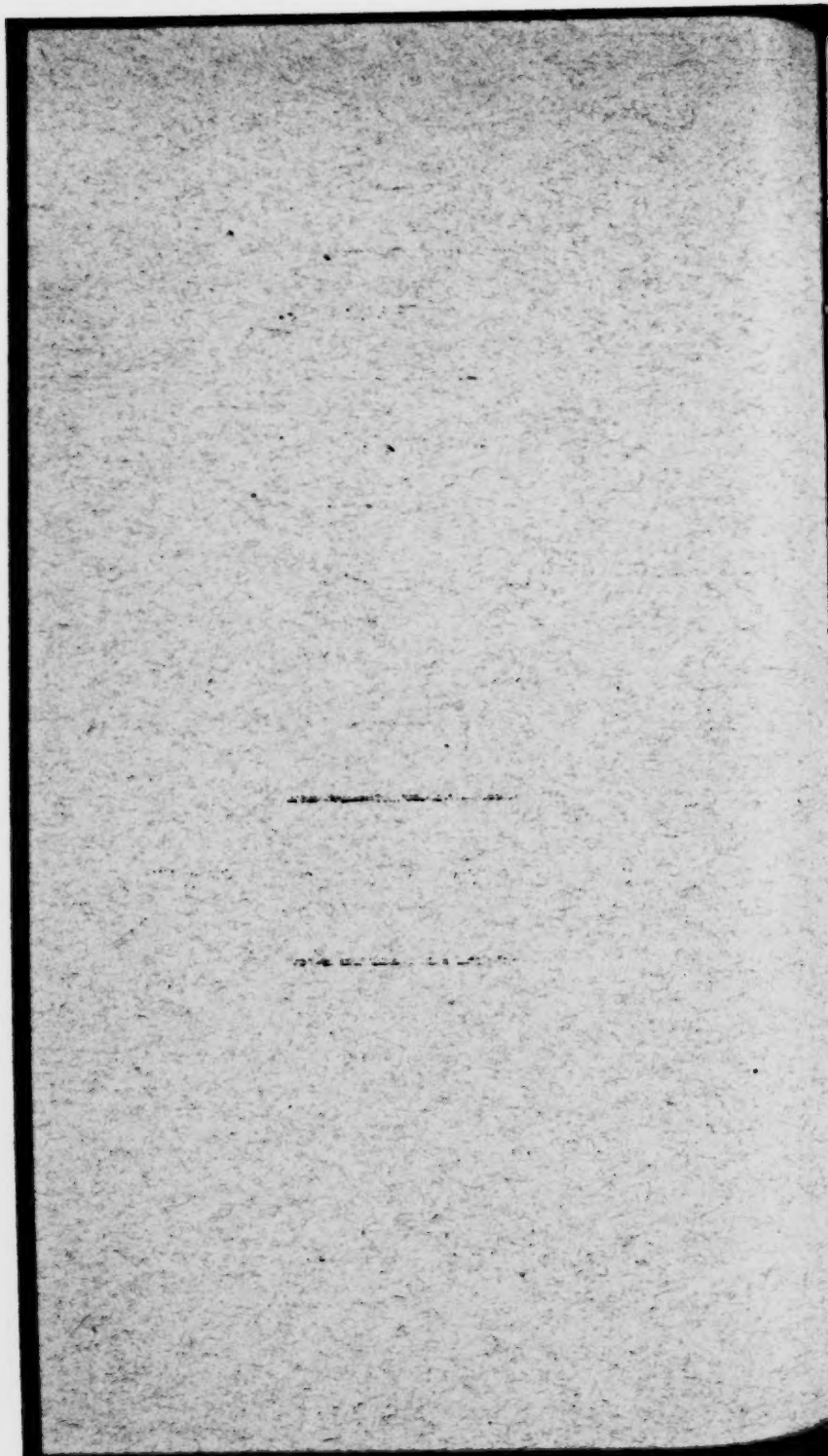
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# Supreme Court of the United States

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OCTOBER TERM, 1921.

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NUMBER 18, ORIGINAL.

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THE STATE OF OHIO,

Complainant,

vs.

THE STATE OF WEST VIRGINIA,

Defendant.

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## STATEMENT OF THE CASE.

This is a suit in equity, in the original jurisdiction of this court, by the State of Ohio against the State of West Virginia. The complaint is directed, as appears from the bill, against the enforcement by the State of West Virginia, of an act passed by the legislature of that state on February 12, 1919, duly approved by the governor, to be effective May 10, 1919, a copy of which statute is attached to the bill, marked "Exhibit B."

## TEXT AND ANALYSIS OF THE ACT.

“Section 1. That every person engaged in furnishing, or required by law (whether statutory or common law) to furnish natural gas for public use, or for use of the public, or any part of the public, whether for domestic, industrial or other consumption, within this state, shall to the extent of his supply of said gas produced in this state, (whether produced by such person or by any other person), furnish for public use within the territory of this state, and for the use of the public and every part of the public within the territory of this state, in or from which such gas is produced, or through which said gas is transported, or which is served by such person, a supply of natural gas reasonably adequate for the purposes, whether domestic, industrial or otherwise, for which natural gas is consumed or desired to be consumed by the public, or any part of the public, within said territory in this state, and for which said consumer or consumers therein shall apply and be ready and willing to make payment at lawful rates.”

**Section one** of this act requires every person engaged in furnishing or required by law to furnish natural gas for the use of the public within the State of West Virginia, to furnish an adequate supply of gas for all purposes, whether domestic, industrial or otherwise, for which gas is consumed or desired to be consumed by the public or any part of the public, within the State of West Virginia, in the territory where the gas is produced or through which it is transported, or which is served by such person.



"Section 2. That in case any person engaged in furnishing, or required by law (whether statutory or common law) to furnish, natural gas for public use within this state, or for the use of the public or any part of the public within this state, shall have a production or supply of natural gas which is, or probably will be, insufficient to furnish for such use, (for the purposes, whether domestic, industrial or otherwise, for which natural gas is consumed by the public or any part of the public), within the territory in this state served by such person, then and in that event the public service commission shall have authority, and the same is hereby conferred on it, upon the application of any such person or any of his consumers within this state and after due hearing upon notice and proof to the satisfaction of the commission that public convenience and necessity so require, to order any other person engaged in furnishing, or required by law (whether statutory or common law) to furnish, natural gas for public use within this state, and producing or furnishing natural gas for public use in said territory or transporting the same through said territory, to furnish to such person having such insufficient production or supply, natural gas for the purpose of supplying such deficiency, at and during such times, upon and at such just and reasonable terms, conditions and rates, and in such amounts, as the commission shall prescribe. And whenever, after such hearing upon notice and proof, the commission shall determine that public convenience and necessity so require, the commission shall have authority to provide for and compel the establishment of a reasonable physical connection or connections between the lines, pipes or conduits of such persons having such excess supply of gas and the lines, pipes or conduits of the person having such deficiency of supply, and to require the laying and construction of such reasonable extensions of lines, pipes or conduits as may be necessary for the establishment of such physical connection or connections, and to ascertain, determine

and fix the just and reasonable terms and conditions of such connection or connections, including just and reasonable rules and regulations and provision for the payment of the costs and expense of making the same or for the apportionment of such cost and expense as may appear just and reasonable. **Provided, however,** that no person shall, by virtue of this section, be ordered to furnish natural gas to any other person so engaged in furnishing, or required by law to furnish, natural gas for public use, except to the extent that the person so ordered to furnish natural gas shall, at the time, have a production or supply of natural gas in excess of the quantity sufficient to furnish a reasonably adequate supply to his consumers within this state; nor shall any person, by virtue of this section, be ordered to furnish natural gas to any other person so engaged in furnishing or required by law to furnish, natural gas for public use in a territory within this state, if any when the said person having said excess shall, to the extent of such excess, be ready and willing to furnish, and within such time as the commission shall prescribe shall actually furnish, to the consumers within said territory a reasonably adequate supply of natural gas."

**Section two** of the act provides that any person who is engaged in furnishing gas for public use within the state of West Virginia, and whose supply of gas is insufficient to fully supply the wants of consumers, for all purposes, whether domestic, industrial or otherwise, within the territory in the State of West Virginia served by such person, may make application to the Public Service Commission of that state for an order to require any other person engaged in furnishing or required by law to furnish gas for public use within the state and producing or furnishing gas for public use in the territory or trans-

porting the same through the territory served by the person having an insufficient supply of gas, to supply the deficiency of the person having such insufficient supply. The commission is given the power to fix just and reasonable terms, conditions and rates upon which the gas shall be so furnished as well as the amount of gas to be furnished. The Commission may require the necessary physical connections to be made and make provision for the apportionment of the expense of such connections. Section two contains a proviso that no person should be required to furnish gas to another person furnishing gas to the public, unless the first person shall have a supply in excess of the quantity sufficient to adequately supply his consumers within the State of West Virginia. It provides further that if the person having such excess shall be willing to furnish an adequate supply of gas directly to the consumers of the person having such deficiency, then such person having such excess shall be permitted to supply such consumers directly instead of supplying the persons having such insufficient supply for his consumers.

“Section three. That in so far as the same shall not be in conflict with this act, all of the authority, powers, jurisdiction and duties conferred and imposed on the public service commission by the act, entitled, ‘An act to create a public service commission and to prescribe its powers and duties, and to prescribe penalties for the violations of the provisions of this act,’ passed February twenty-first, one thousand nine hundred and thirteen, as amended by the act entitled, ‘An act to amend and re-enact sections one, two, three, four, five, nine, ten, fourteen, fifteen and twenty-two, of chapter nine of the

acts of one thousand nine hundred and thirteen, creating a public service commission, prescribing its powers and duties, and penalties for violation of the provisions of said chapter, and to add thereto six sections to be known as sections twenty-three, twenty-four, twenty-five, twenty-six, twenty-seven, twenty-eight, enlarging the powers and duties of said public service commission, prescribing additional penalties and giving to the commission power to punish for contempt,' passed February tenth, one thousand nine hundred and fifteen, are hereby conferred and imposed on the public service commission in respect to the subject matter of this act, or any part thereof."

**Section three** of the act gives the Public Service Commission of West Virginia all of the power and authority to enforce this act which it has under the general act creating it and prescribing its powers and duties, and the amendments thereto.

"Section four. That in case of violation of any provision of this act any person aggrieved or affected thereby may complain thereof to the public service commission in like manner, and thereupon such procedure shall be had, as is provided in respect to other complaints to or before said commission, and all such proceedings and remedies may be taken or had for the enforcement or review of the order or orders of said commission, and for the punishment of the violation of such order or orders, as are provided by law in respect to other orders of said commission. In case of the violation of any provision of this act, the public service commission, or any person aggrieved or affected by such violation, in his own name, may apply to any court of competent jurisdiction by a bill for injunction, petition or writ of mandamus or other appropriate action, suit or proceeding, to compel obedience to and compliance with

this act, or to prevent the violation of this act, or any provision thereof, pending the proceedings before said commission, and thereafter until final determination of any action, suit, or proceedings for the enforcement or review of the final order of said commission; and such court shall have jurisdiction to grant the appropriate order, judgment or decree in the premises."

**Section four** of the act gives to any person aggrieved by the violation of any provision of the act the right to complain to the Public Service Commission and to have such proceedings for enforcement of the order of the commission or review thereof as is provided by law with respect to other orders of said Commission. It further gives to the Public Service Commission or to any aggrieved person the right to apply to any court of competent jurisdiction for injunction, mandamus, or other appropriate remedy to compel compliance with the act, pending the proceedings before said Commission, and thereafter until final determination of any action, suit or proceeding for the enforcement or review of the final order of said Commission, and confers upon such court the jurisdiction to grant the appropriate judgment, order or decree in the premises.

"Section five. That if any person subject to the provisions of this act shall fail or refuse to comply with any requirement of the commission hereunder, such person shall be subject to a fine of not less than one hundred dollars nor more than five hundred dollars for each offense; and such person, or the officers of the corporation, where such person is a corporation, may be indicted for their failure to comply with any requirement of the commission under the provisions of this act, and upon conviction thereof, may

be fined not to exceed five hundred dollars, and in the discretion of the court, confined in jail not to exceed thirty days. Every day during which any person, or any officer, agent or employe of such person, shall fail to observe and comply with any order or direction of the commission, or to perform any duty enjoined by this act, shall constitute a separate and distinct violation of such order or direction of this act, as the case may be."

**Section five** imposes a fine of not less than \$100 nor more than \$500 for each failure or refusal to comply with any requirement of the Commission under the act and provides for the indictment of the person, or of the officers of the corporation, if such person be a corporation, for failure to comply, and provides a fine of \$500 and a jail sentence, not to exceed thirty days, which may be imposed in the discretion of the court. It further provides that every day during which any person or its officers or agents shall fail to comply with the provisions of the act or any order of the Commission made under the act shall be deemed a separate and distinct violation of the act.

"Section six. That any person claiming to be damaged by any violation of this act may bring suit in his own behalf for the recovery of the damage from the person or persons so violating the same in any circuit court having jurisdiction. In any such action the court may compel the attendance of the person or persons against whom said action is brought, or any officer, director, agent or employe of such person or persons, as a witness, and also require the production of all books, papers and documents which may be useful as evidence, and in the trial thereof such witness may be compelled to testify, but any such witness shall not be prosecuted for

any offense concerning which he is compelled hereunder to testify."

**Section six** gives to any person aggrieved by violation of the act the right to bring suit for damages in his own name in any circuit court of the state having jurisdiction. It further provides for the compulsory attendance of witnesses and the production of books and papers which may be useful as evidence.

**"Section seven.** That the word 'person' within the meaning of this act shall be construed to mean and to include, persons, firms, and corporations."

**"Section eight.** That the sections, provisions and clauses of this act shall be deemed separable each from the other, and also in respect to the persons, firms, corporations and consumers mentioned therein or affected thereby, and if any separable part of this act be, or be held to be, unconstitutional or for any reason invalid, or unenforceable, the remaining parts thereof shall be and remain in full force and effect.

**"Section nine.** That all acts and parts of acts in conflict with this act are hereby repealed."

**Sections seven, eight and nine** of the act require no comment at this point.

## THE LEGAL MEANING AND EFFECT OF THE LAW.

We believe that the legal meaning and effect of this act is as follows:

**First:** It imposes an absolute duty upon any person furnishing gas or required by any law of West Virginia, whether statutory or common law, to furnish gas for

public use to devote his entire supply of gas to the satisfaction of the wants and desires of all persons within the territory of the State of West Virginia in which the gas is produced or through which it is transported, or which is being served by the person in question, before he will be permitted to furnish any gas whatever to any person outside of the boundaries of the State of West Virginia. His duties within the state are not to be limited to the persons or communities which he has held himself out to serve or which he has in fact been serving in the past, but are made by this act to include also all persons in the territory where the gas is produced or through which it is transported, even though the owner of the gas may never have served or held himself out to serve either of these classes of persons.

**Second:** It requires any person producing or transporting or furnishing natural gas and having a supply in excess of the quantity necessary to supply his consumers **inside the State of West Virginia**, even though his supply is inadequate or not more than adequate, to supply all of his consumers both inside and outside of the State of West Virginia, to make or submit to physical connection with the pipe lines of any other person engaged in supplying gas, in the territory in which the first person shall be producing or furnishing or transporting natural gas, and to furnish to such other person all of the gas which he may have in excess of the requirements of his consumers **inside the State of West Virginia**, if such other person shall require all of such excess in order to adequately supply his consumers **inside the State of West Virginia**.



**Third:** The act requires that all consumers, inside the State of West Virginia, shall be given a reasonably adequate supply of natural gas, **whether** for **domestic**, industrial, or other purposes, before any gas whatever is transported outside the State of West Virginia. The act is mandatory upon the person furnishing gas, and gives no discretion either to him or to the Public Service Commission or to any other authority which could permit the person furnishing gas to supply domestic consumers outside of the state if industrial consumers inside the state were desiring gas for their use. Likewise the act places all consumers inside the state, and also all persons not on the lines of the person furnishing gas, but being located inside the state, in a position of preference over all persons outside the state, even though the persons outside the state are domestic consumers only, and have long since been such consumers, on the lines of the persons who are furnishing gas to them.

#### THE BILL OF COMPLAINT.

The bill of complaint recites the character of the two states, as being states of the United States of America, and that the bill was filed by the attorney general of the complainant state, pursuant to the authority of a joint resolution of the legislature of the State of Ohio, and the written direction of the governor of that state. The complainant states then, in the first division of its bill, alleges facts which are in substance as follows:

That natural gas has been for more than twenty years last past, known to exist in large quantities, of great

value, in the State of West Virginia; that many persons, including many citizens and residents of the State of Ohio, have invested capital in West Virginia in drilling wells and establishing facilities for producing, transporting and marketing gas, said gas being found in thirty-four named counties of the State of West Virginia; that much of the gas development in West Virginia has been and is being done by Ohio citizens and corporations.

The second division of the bill alleges that many cities and industrial plants in West Virginia are connected by pipe lines with the gas supply of the wells in West Virginia, or are located near to said pipe lines, and that if a reasonably adequate supply of natural gas should be furnished to all persons so located within the State of West Virginia, for all purposes, whether industrial, domestic or otherwise, then, in that event, substantially if not entirely, all of the gas produced in West Virginia would be required to meet said demands in West Virginia, the result of which would be to deny natural gas to even the preferred or domestic consumers in Ohio.

The bill of complaint further alleges that, in the early stages of gas development in West Virginia, all of the demands of all consumers in West Virginia for all purposes, were met, and there was a surplus for transportation to the State of Ohio, but that now the consumption of and demand for natural gas in West Virginia has greatly increased, and that if the statute of West Virginia, thereafter complained of, should be enforced, the transportation of gas to Ohio even for use by domestic consumers would be cut off, and such transportation would be entirely prohibited.

The third division of the bill alleges that, for more than twenty years last past, large quantities of natural gas have been transported from the State of West Virginia into the State of Ohio, for use and consumption within said state; that in the early stages of natural gas development in West Virginia, there was a small demand for the same in the State of West Virginia, and that the Ohio municipalities of Cleveland, Cincinnati, Columbus, Dayton, Akron, Canton, Hamilton, Springfield, Youngstown and many others, have either constructed plants for the distribution of natural gas, or permitted such plants to be erected by private capital, at great expense, and are dependent upon natural gas for light, heat and fuel, and for other purposes.

The fourth division of the bill of complaint alleges that many corporations and companies, of which five are named, have, at the expense of many millions of dollars, laid large trunk lines for the transportation of gas from the gas fields of West Virginia to the said cities in Ohio, and that such transportation to and the distribution, sale and use of natural gas in the said cities in Ohio have been conducted for many years last past, under contracts then and still existing between the said companies on the one hand, and the State of Ohio and its municipalities on the other; that the State of Ohio, and its inhabitants in said municipalities and elsewhere, now rely almost wholly upon the use of natural gas for light, heat and fuel, and for other purposes; that the demand for such gas is growing, and that there is now, from time to time, a shortage of gas in said state, even when the use of it is limited to

domestic purposes; that all contracts in Ohio with consumers of natural gas provide for preference to domestic consumers, and for cutting off all other classes of users in case of a shortage of supply.

The fifth division of the bill of complaint avers and charges that for many years gas has been extensively transported in interstate commerce through pipe lines in, through and among the Dominion of Canada, the states of New York, Pennsylvania, West Virginia, Ohio, Kentucky, Indiana, Illinois, Missouri, Kansas, Oklahoma, Texas, Arkansas, Louisiana and other states in the United States; that there are more than five thousand miles of main trunk lines laid and operated in said states and Canada; that the transportation of West Virginia gas by pipe lines has become a great industry, with millions of dollars invested therein; that natural gas is a well established and extensively transported article of interstate commerce.

The sixth division of the bill of complaint alleges that there are now in operation in the State of Ohio, and from Ohio into West Virginia, more than one thousand miles of connecting natural gas main pipe lines; that the property value of said pipe lines is at least twenty-five million dollars, and that more than half of said pipe lines were laid for the exclusive purpose of, and are now engaged in transporting and handling natural gas produced in the State of West Virginia.

The complainant further alleges, in the seventh division of its bill of complaint that it is the owner and proprietor of seventeen state institutions established for

penal, eleemosynary, educational and governmental purposes, within the State of Ohio, which are named in the bill; that said natural gas so transported from West Virginia and used as aforesaid is also used in municipal buildings and for municipal and street lighting in the counties, townships and municipalities of the State of Ohio; that all of said gas so used in said institutions, municipalities and buildings is supplied and used under existing contracts between the State of Ohio and the political subdivisions thereof respectively, on the one hand, and the producers and distributors of natural gas who bring the same from the State of West Virginia, on the other hand; that the State of Ohio has, at great expense, provided equipment for the use of natural gas, which would have a mere salvage value if said state should be unable to continue to secure a supply of natural gas from the State of West Virginia; that the great convenience and economy of this fuel have saved the State of Ohio thousands of dollars annually; that the use of natural gas has enabled the state to better care for its abnormal persons in its institutions; that the said state used, in its said public institutions, during the year ending June 30th, 1918, a total amount of three hundred sixty-nine million, three hundred eighty-nine thousand (369,389,00) cubic feet of natural gas, of which a large proportion was obtained from the State of West Virginia; that if the said state should be deprived of its supply from the State of West Virginia, the volume and pressure of its gas supply would be insufficient for any practical use; that the citizens and residents of Ohio and other states have invested

in the natural gas business in the State of Ohio, approximately one hundred and fifty million dollars, from which investment the State of Ohio and its subdivisions receive in taxes annually large sums of money; that many citizens and residents of the State of Ohio have become bound by contracts to furnish natural gas, whose only source of natural gas supply for the fulfillment of which contracts, is from the State of West Virginia.

The eighth division of the bill of complaint alleges that the legislature of the State of West Virginia passed, on February 12th, 1919, an act, the title of which is quoted in the bill, and a copy of the full text of which act is attached to the bill, marked "Exhibit B," and made a part of the bill. The alleged substance of the act is set forth in the bill, as is also its alleged purposes, and it is alleged to be illegal and void because it offends against, and is in contravention of Clause, 3 of Section 8 of Article 1 of the Constitution of the United States, and of the fourteenth amendment of the Constitution of the United States, and of Section 10 of Article 1 of the Constitution of the United States.

The ninth division of the bill avers that it is the effect and purpose of the statute complained of to require persons producing and transporting natural gas in West Virginia to devote their entire supply to the needs of consumers inside the said state, and to wholly prevent the exportation of natural gas from said state.

The tenth division of the bill alleges that the enforcement of the act would cause to the complainant state great and irreparable pecuniary loss and injury, and

would deprive more than four millions of people, being citizens and residents of the State of Ohio, of their natural gas supply, and would deprive the State of Ohio of its large income from the taxes upon gas property, and would destroy or impair the value of the property of many persons and corporations, residents of the State of Ohio, to the extent of many millions of dollars.

The bill of complaint then charges that the act of West Virginia complained of is void because it would prevent the transportation of gas in interstate commerce from West Virginia into Ohio, which the State of West Virginia is not legally empowered to do, such power being lodged in the government of the United States, and not elsewhere; and that the enforcement of the statute would cause great and irreparable injury to the rights and property of the complainant state and its citizens and residents, for which it or they would have no adequate remedy at law.

The bill of complaint then proceeds as follows:

“In consideration whereof, and for as much as your orator and its citizens and residents, who except through representation by your orator, have no remedy and can only have adequate relief in this honorable court, your orator on its own behalf and also as the **parens patriae**, trustee, guardian and representative of that great proportion of its citizens, who are directly affected by the provisions of said law, as aforesaid, prays this honorable court to take cognizance of the several charges set forth in the premises.”

The complainant then prays that the State of West Virginia be made defendant and may be compelled to

answer each and every allegation therein contained, but waiving the answer under oath; that it be adjudged and decreed that the said act or law of the State of West Virginia is illegal and void because it conflicts with and contravenes those provisions of the Constitution of the United States named in the eighth division of the bill; that it be adjudged and decreed that neither the complainant state nor its citizens and residents have an adequate remedy at law for the injury which would result from the enforcement of said act, and that such injury would be irreparable.

The complainant further prays that the defendant may be restrained by a writ of perpetual injunction, issuing out of and under the seal of this honorable court, from in any way interfering with the transportation of natural gas from and out of the State of West Virginia, for use in the State of Ohio by said state, or any of its citizens or residents, under the authority of the said act, or any act, law or statute of the State of West Virginia, or under any pretended common law right, rule of action or unwritten law of the State of West Virginia. The complainant then prays for a provisional or preliminary injunction, and formally concludes its bill.

#### THE ANSWER.

The State of West Virginia in its answer substantially admits all of the material allegations of the bill of complaint as to the external, physical facts. The denials contained in the answer go principally to conclusions or statements of law contained in the bill of complaint, to-



gether with the formal denial for lack of information, as to certain matters which pertain particularly to internal conditions within the State of Ohio. The answer purports to set forth some of the alleged evils sought to be remedied by the act in question which are in substance these: That West Virginia has a large production of natural gas; that a large proportion of its production is being transported out of the state, and that there is, in many communities inside the state, a shortage of gas supply, especially in winter weather. It further alleges that the gas fields and facilities in West Virginia have largely fallen into the hands of seven named corporations which have a virtual monopoly of the business of producing and transporting gas in West Virginia; that these corporations are public service companies, and have acted as such, except in so far as they have failed and refused to furnish to the public in West Virginia within the range of their pipe lines a reasonably adequate supply of gas.

The answer states that there was, at the time when the lines and facilities for the transportation of gas from West Virginia were established, a large surplus of gas beyond the demands of consumers in West Virginia, but that this condition is no longer true, and that at the present time the transportation of gas from the state makes inadequate the supply within the state.

The answer further alleges that the seven companies base their refusal to furnish additional gas within the state upon the fact that they have duties to consumers in other states, arising out of contracts or out of their duties as public utilities in such other states, while the State

of West Virginia claims that the seven companies owe a duty to furnish gas to all consumers, present and prospective, inside the state in priority to consumers of any class outside the state. This contention of the State of West Virginia appears in paragraph VI, page 30, of its answer, where this language is used:

"On the one hand it was insisted by said state and its people that they were entitled to a reasonably adequate gas supply to the extent, for the purposes and by the means later specified in and by the statute complained of in said bill of complaint, and that the duty of furnishing such supply rested on said seven companies as well as the other public service gas companies of West Virginia."

It appears again in paragraph X, on page 36 of the defendant's answer, where this language is used:

"While this defendant admits that gas is or may be an article of interstate commerce, yet this defendant denies that gas placed in mains or pipes by public service gas companies, is either in interstate commerce or a legitimate article of interstate commerce, unless and until it has reached the point where it is no longer subject to the public service in West Virginia, and the duties imposed by law upon public service gas companies have been observed and performed by them; and denies that the requirement of the performance or observance of the duties owed by such companies is an interference with interstate commerce or a burden thereon."

The court then states that this issue between the said seven companies on the one hand and the State of West Virginia and its citizens on the other hand, gave rise to the legislation in question in this litigation. It admits that the consequences of the enforcement of the statute

in question will be as alleged in the bill of complaint, but denies that the consequences will be of such extent as alleged in the bill. It states that the State of Ohio may obviate to a certain extent the consequences of the legislation by

**"The contraction by internal regulation by the State of Ohio of the territorial scope of service or distribution and of the number of its consumers."**

and says that such remedy must also ultimately be applied in West Virginia. It admits that the inconveniences, losses and other consequences would result to the State of Ohio as alleged in the bill, but alleges that similar consequences will result in West Virginia, unless the statute is upheld. The answer then alleges the constitutionality and legal validity of the statute and denies that it would, **except indirectly or incidentally**, prevent the transportation of gas in interstate commerce.

#### THE TAKING OF THE PROOFS.

This court, on April 20, 1920, made an order granting motions to consolidate cases numbers 23 and 24, original, October Term, 1919, being the cases of *The Commonwealth of Pennsylvania, complainant, vs. The State of West Virginia*, and *The State of Ohio, complainant, vs. The State of West Virginia*, "for the purpose of taking the proofs." The court further appointed Levi P. Cooke, Esq., of the District of Columbia, as a commissioner to take and return the testimony in these cases, with the powers of a Master in Chancery, as provided by the rules of this court, but the court ordered that said Commis-

sioner should not make any findings of fact or state any conclusions of law. The order of the court further fixed the time for the taking of the testimony.

The hearings commenced on May 11th, 1920, and continued from time to time until April 26th, 1921. Hearings were held in Pittsburgh, Pennsylvania; Columbus, Ohio; Charleston, West Virginia, and Clarksburg, West Virginia. The testimony taken, and the exhibits offered, comprise over 2,000 printed pages. **Notwithstanding this large amount of testimony, there is practically no conflict in the evidence upon any material point in the case, and hence a long and detailed discussion of the proof would be needlessly burdensome to the court.** We present therefore, as brief a statement as possible of the facts as shown by the proofs, or admitted by the pleadings, with citations to the pages of the record, for the purpose of verification.

#### GENERAL TESTIMONY RELATING TO GAS PRODUCTION.

Natural gas is not found in rooms or open cavities under the earth's surface, but in the minute spaces between the grains of sand which make up sand rock. This substance is called by the profession "gas sand," but is, in fact, sand rock. There is no regeneration of natural gas in the sands from which it has been removed. (Wyo. 869,909).

There is no reliable method of determining the existence of natural gas under the earth's surface except puncturing the earth down to the location of the gas sand.

that is, by drilling a gas well. (Quay 10, Sullivan 196, Wyer 868). This fact makes the business of finding and producing natural gas an extremely hazardous venture. (Quay 10). Natural gas exists in the sands originally at a high pressure known as the rock pressure. This pressure varies for different wells and for different areas, and has no particular relation to the volume of gas that will flow from a well. (Wyer, page 869). This rock pressure, however, is the force by which gas is, in the first instance, severed from the soil. This process of severance is shown by Pennsylvania Exhibit 36, record, page 1578, copy of which we insert next following this page, and which exhibit is explained by the witness, Wyer, in his testimony (Record, pages 870, 871).



PENNSYLVANIA EXHIBIT 36.

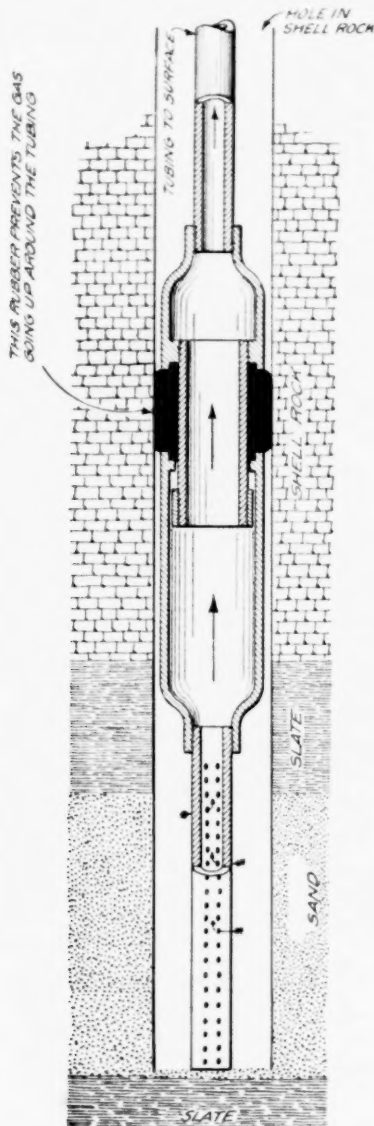
Offered at p. 870 of Printed Record by Witness Wyer.

*How Natural Gas is Severed from the Soil, Brought under Control, and Delivered Into a Fixed Closed Container.*

## HOW NATURAL GAS IS SEVERED FROM THE GROUND AND DELIVERED INTO THE TUBING

### FIRST STEP

Well packer at bottom of well—usually about  $\frac{1}{2}$  mile below the earth's surface—where the gas is separated from the ground, is forced into the tubing, and then comes to the surface.

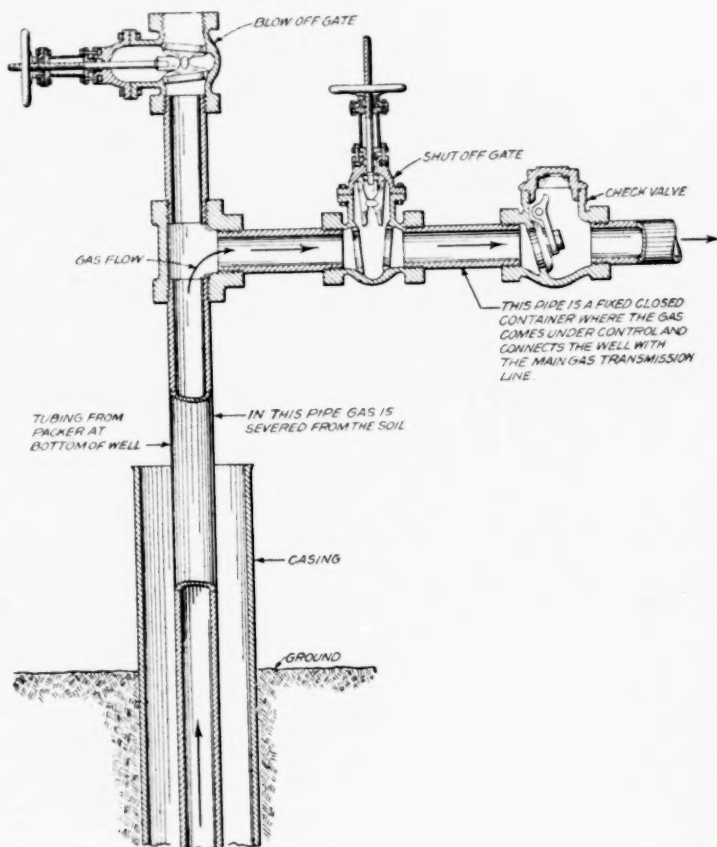




THE SOIL, BROUGHT UNDER CONTROL,  
FIXED CLOSED CONTAINER


### FINAL STEP

Well fittings above ground where the gas from the packer below as it flows up through the tubing comes under control and is delivered into the well discharge line which is a fixed closed container.





This exhibit and its explanation show that the process of severing natural gas from the soil and of placing it in a closed container, requires only the provision of the necessary mechanical equipment for catching the gas as it is forced by the rock pressure out of the earth through the well or aperture, and the keeping of the pressure of the pipe or container into which it flows, lower than the rock pressure which is forcing the gas out of the well. This natural or rock pressure declines as the gas is removed from the natural reservoir. (Wyer, p. 873). It thus gradually becomes so low that it is insufficient to cause the gas to flow for any considerable distance in the direction of the place of its ultimate use. Sufficient pressure then must be restored to give the gas a tendency to flow, so that it will reach its destination. This pressure is artificially supplied by natural gas compressors, the function of which is to re-compress the gas and thus supplement the declining natural rock pressure. These compressors have been in use for more than thirty years. Pennsylvania Exhibit No. 38, record, p. 1580, which is inserted next following this page, is a diagram of a natural gas compressor, prepared by the witness, Wyer, and explained by the witness on page 874 of the record.





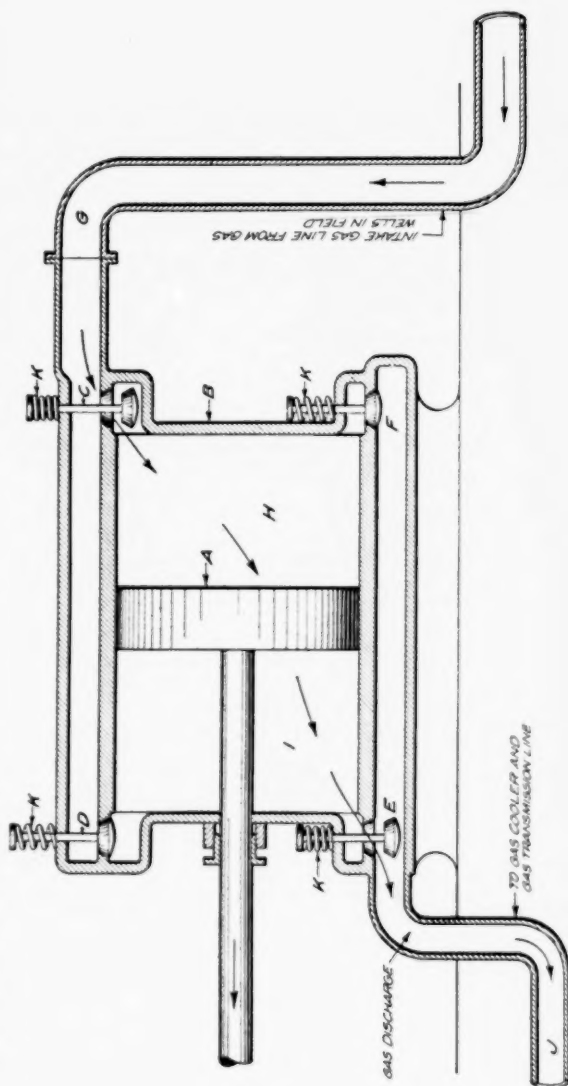
PENNSYLVANIA EXHIBIT 38.

Offered at p. 874 of Printed Record by Witness Wyer.

*Diagram Showing Action of Natural Gas Compressors as Used  
For Compressing Gas Through the Transmission Lines.*

# DIAGRAM SHOWING ACTION OF NATURAL GAS COMPRESSOR AS USED FOR COMPRESSING GAS FOR TRANSMISSION THROUGH LINES

The action of a gas compressor is illustrated in the diagram below, where A is a reciprocating piston working in cylinder B. C and D are inlet valves to the cylinder, and E and F are discharge valves to the cylinder, drawn to their seats by the springs K K. All the gas wells are connected to the intake side of a compressor so that the pressure from the wells drives the gas to the compressor. As the piston moves in the direction of the arrow the inlet valve C is opened by the higher pressure of the gas in the intake G, and the gas then rushes from G through C into the space H. As the piston moves toward the end of its stroke the gas in space I is forced out into the discharge line J through the discharge valve E. When the piston A reaches the end of its stroke the spring K closes the valve C and on its return stroke the piston A compresses the gas in H until the pressure is great enough to open the discharge valve F and thereby drive the gas out into the discharge line J.



This exhibit and explanation show simply a machine by which the gas is taken in through valves on the low pressure side of the machine, compressed by pistons and sent out at a higher pressure through a valve on the opposite side of the machine. It would be impracticable to market natural gas at any considerable distance from the point of its production without the use of a compressing device. (Record, p. 875.) Some of these compressor stations located in West Virginia have thousands of horsepower which impart the supplemental energy which transmits the gas through West Virginia and thence throughout all the journey to the house fixtures of consumers located in municipalities in Pennsylvania and Ohio. In some instances, for instance, where West Virginia gas is transmitted through West Virginia and Ohio to cities in Indiana, additional compressing stations are necessary to impart the required pressure for the ultimate delivery.

The gas producing territory involved in this action lies within the area known as the Appalachian field, which, in a general sense, includes Pennsylvania, Ohio, West Virginia, Kentucky and Indiana. (Record, page 60). It was first discovered in this field, not by persons searching for it, but by persons drilling for oil, who, upon puncturing the earth, found a deposit of gas instead of the oil for which they were drilling. It was considered a hindrance and annoyance, as well as a source of considerable danger to oil operators, when they found it. Their practice was to conduct it through pipes to a safe distance and there ignite it and permit it to burn in the open.

Later, it was used by persons near the wells, they burning it in little burners. The supply was thought to be inexhaustible and the gas was grossly wasted. However, it soon became apparent that the supply of gas was being depleted, and meters were installed, over the consumers' protest; also better types of burners were invented, which effected a saving of gas and increased its efficiency. (Quay, pages 18, 19.)

### GAS DEVELOPMENT IN WEST VIRGINIA.

The production of gas in the State of West Virginia originated in substantially the same way; that is, as a by-product accidentally discovered in the search for oil. The South Penn Oil Company was the pioneer operator for oil in West Virginia. Many of the wells which it drilled produced gas instead of oil. It endeavored to find a market for this gas in West Virginia, and its owners formed a corporation, called The Flaggy Meadow Gas Company, to take this gas and supply it to the then small West Virginia towns. Later, the same owners, still having a large surplus of gas, formed another corporation, known as the Mountain State Gas Company, for the purpose of carrying the gas to the river towns, such as Sistersville and Parkersburg. The amount of gas produced by these companies was, however, so large and was accumulating so fast, that these outlets for it were entirely insufficient, and hence further provision had to be made for a more distant market. In the meantime, before these outside markets were established, billions of cubic feet of gas were blown into the air and wasted because there was no



market for the gas and no facilities for reaching a market. (Record, p. 331). The logical places for such market were the towns in the States of Ohio and Pennsylvania which were closest to this source of production. In 1898 The Hepe Natural Gas Company, now one of the largest producers and transporters of natural gas, was formed for the purpose of taking over the gas wells and gas territory of the South Penn Oil Company and marketing that gas through a pipe line to be laid from West Virginia fields to cities in Ohio.

Later, The Reserve Gas Company was formed for the purpose of producing gas and transporting it to the Ohio river, from whence it would be taken through two lines to Sugar Grove, Ohio, from which place it could be distributed to its ultimate destination, in the State of Ohio. The Connecting Gas Company was formed by the same interests who formed the Reserve Gas Company, solely for the purpose of transporting this gas from the Ohio river to Sugar Grove, Fairfield County, Ohio. This entire plan was carried out and has been for years in operation.

The formation of these companies is described in the testimony of the witness, Corrin., record, pages 322, 323, 324, 325. They were formed for the purpose of making it possible to save and utilize the natural gas which would otherwise have been wasted because there was no demand for it in the vicinity of its production.

“Every town that they could get in West Virginia was being supplied. They were supplying all the industries that there were to be supplied, and these wells were being drilled continuously in a search

for oil and were either being shut in or being abandoned, and that was the only way they had to dispose of this gas—was to look for some market outside of the state, which they did." Corrin, page 331.

After these lines were established and the value of the gas for light, heat and fuel, as well as the opportunity to place it at the disposal of a consumer who desired it, was assured, wells were drilled for the sole purpose of discovering and producing gas, instead of, as originally, being drilled merely for the production of oil, and incidentally producing gas.

After referring to the pioneer operations in West Virginia by outside capital, above referred to, the witness, on page 333 of the record, states:

"They certainly were the pioneers, there is no question about it; and if it hadn't been for these companies, or companies similar to them, with a good backing of capital, why, I don't think that West Virginia would have been advanced to where it is today. In fact, I think they are responsible for the advancement of West Virginia twenty-five years. As a sample of that, when I first started to work for the South Penn Oil Company, over 90 per cent. of the land, the titles to which were examined, had liens of some kind against it. Today there isn't 1 per cent. in the oil and gas counties."

Many other companies secured gas territory in West Virginia and constructed great pipe line systems to market gas in Ohio, as hereinafter described.

The supply of gas was adequate, both for consumption inside the State of West Virginia and for transportation to other states, until during the time of the world war in

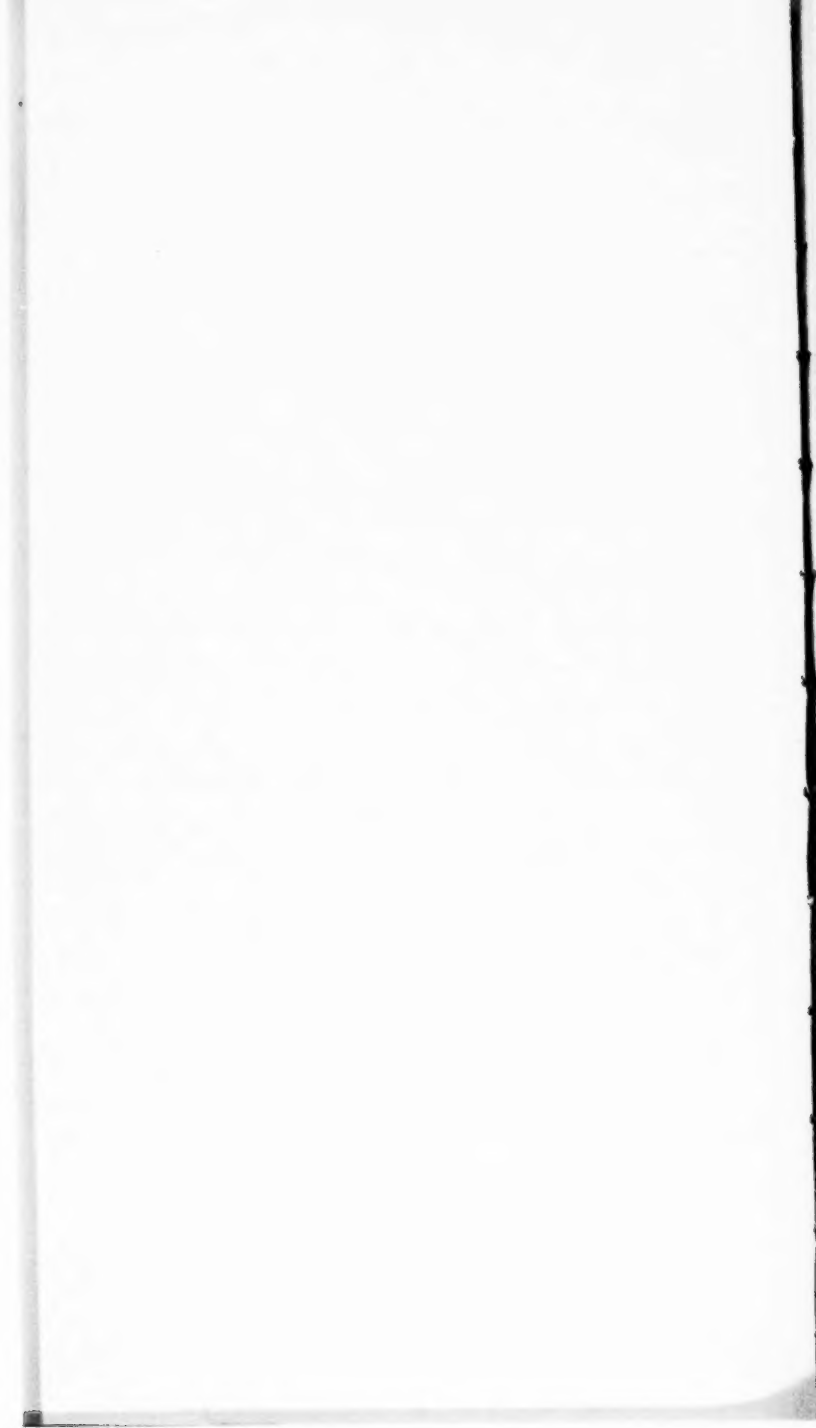
1917 and 1918. (Record, pages 331 and 334). By reason of the vast demand for gas for industrial consumption, which occurred as a result of the war, and which drew upon the lines of the gas companies during the summer as heavily as, or more heavily than during the winter, the gas companies had no opportunity to rest their wells or to accumulate a surplus of gas, as they had been in the habit of doing, in accord with good practice, under normal conditions. The federal government, through the fuel administration, gave orders to the gas companies to supply essential industrial plants with all the gas possible. Wells were drilled and turned into lines which, under normal conditions, would have been held in reserve, to assure a future supply. (Record, pages 333, 334). The supply of gas has never been adequate for all purposes, during the periods of maximum demand, since that time.

The relation of the gas producing companies to the land from which the gas is produced, and the method of establishing that relation, is usually, substantially, as follows: The gas company determines that certain land is worthy of consideration as possible gas producing land. Men from the leasing department of the company are sent to the owners of the land to secure, if possible, leases upon these lands, granting to the gas company the right to enter upon the land and drill a well for oil or gas, and reduce the same to possession, if discovered. The consideration for this lease is usually the payment of a certain sum, ordinarily one dollar per acre per year from a date designated in the lease, until such time as a well is

completed upon the lands. If a well producing either oil or gas is found upon the lands, then the payment of said amount ceases, and the gas company pays a royalty upon the production from the premises instead. This royalty is generally one-eighth of the oil produced, or a given amount, usually two or three hundred dollars per year, for a producing gas well. It is sound business policy, of course, for a company which is about to hazard its money in the drilling of a well, to secure leases upon a considerable amount of contiguous territory, so that a well, if found, would be protected from drainage, by a competitor, through other lands not within the control of the company. (Record, p. 23, Quay.)

The amount of money spent by the producing gas companies annually, in payment of bonuses at the time when these leases are originally secured, and in payment of rentals during the time when the leases are held for the purpose of protecting wells and providing a sufficient reserve acreage for the future production of the company, and in payment of the expense of drilling wells to test this territory, is a vast amount for each of the larger companies, amounting to many millions of dollars. (Quay, 24,25). If gas is discovered upon leased lands, then it becomes necessary to secure rights of way across the lands intervening between the well and the point at which the gas will be consumed. This is ordinarily done by agreement with the owners of that land upon the payment of an agreed sum. (Quay, 24).

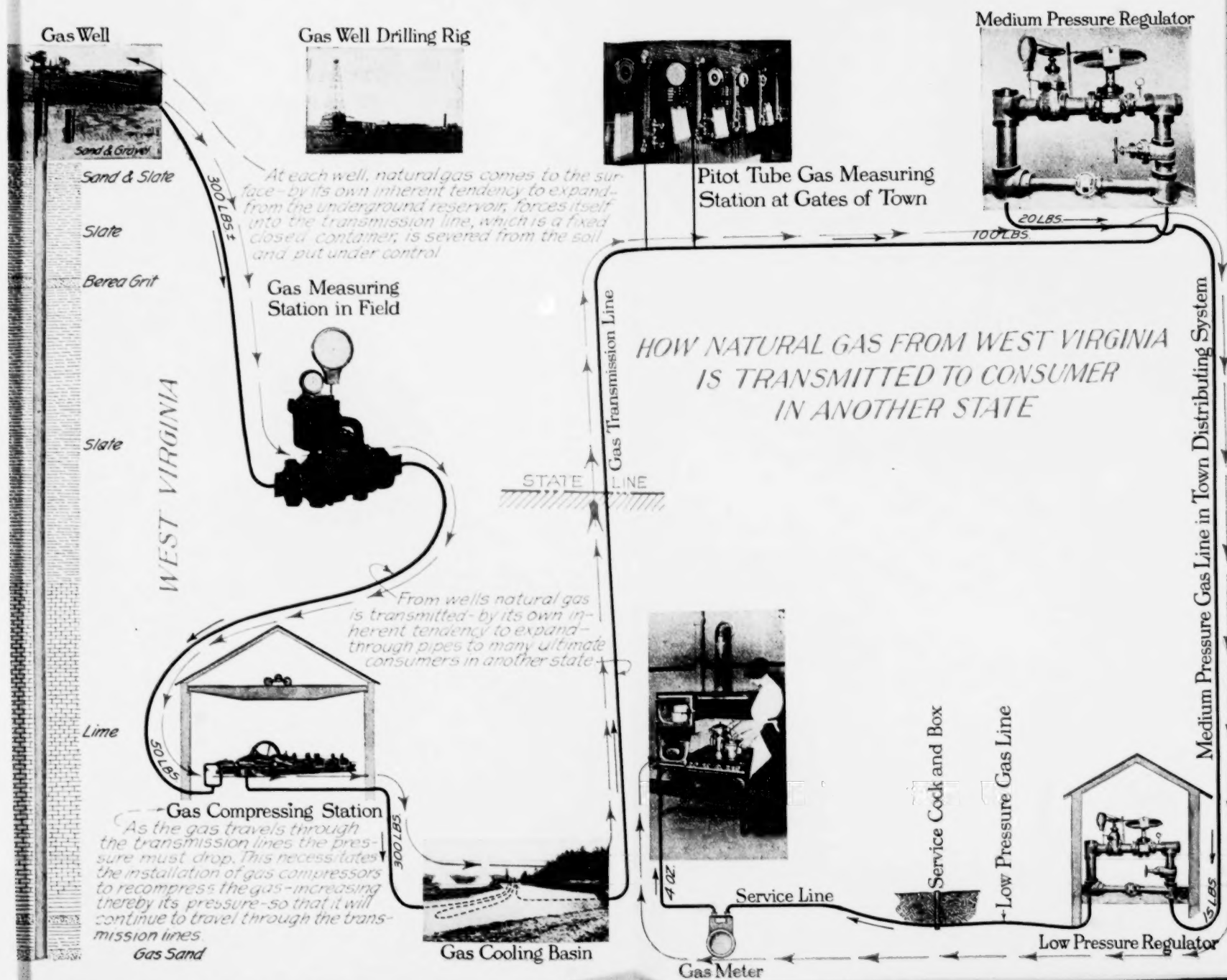
A diagram illustrating all of the typical processes of gas production, transportation, distribution and consumption was introduced in evidence by the witness Wyer, page 871 of the printed record as Pennsylvania Exhibit 37. (Record, p. 1579). We insert a copy of that exhibit herein, to avoid an extended discussion of this process.



PENNSYLVANIA EXHIBIT 37.

Offered at p. 871 of Printed Record by Witness Wyer.

*How Natural Gas from West Virginia is Transmitted to the  
Consumer in Another State.*







It is not feasible commercially to store natural gas in tanks or holders, but it must be transmitted to the points of consumption where the consumers use it and be held back in the wells during the warm weather when there is a less demand for it. (Sullivan, 202).

### A NATURAL GAS PLANT IS DESIGNED AND BUILT FOR SPECIFIC PURPOSE.

Sullivan (The Hope Natural Gas Company), Record, pp. 204 and 214:

“Every natural gas plant is designed and built for some specific purpose, with a view to taking gas from some certain field, transporting it and delivering it to some certain market; and the installation of the compressing stations, the size of the lines, the size of the compressing stations, their location—all of those things are carefully studied out and planned before the plant is built. The compressing stations are installed where it may be considered is the most favorable location to take the gas from certain territory—or from wells located in certain territory, and deliver it into the lines leading to the market. This is all definitely planned and fixed with most every gas company when the project of installing it is being considered and thought out. It is built for a certain specific purpose. Of course, later on, depending on conditions, additions and changes may be made from the original plan, but it is originally planned for a certain definite purpose.”

## CASE INVOLVES FOUR INTER-STATE OPERATING SYSTEMS.

The record discloses that there are four large and distinct gas producing, transporting and distributing systems in this case. The names of the principal separate companies composing each system are as follows:

1. The Manufacturers Light and Heat Company, located in the northern part of West Virginia, the southeastern part of Ohio and the southwestern part of Pennsylvania.

2. West of the first mentioned system is that composed of The Hope Natural Gas Company and The East Ohio Gas Company. The River Gas Company, an interstate company, is a part of this system.

3. West of the second mentioned system is that composed of The Reserve Gas Company, The Connecting Gas Company, The Union Natural Gas Corporation and The Northwestern Ohio Natural Gas Company.

4. West of the third mentioned system is that composed of The United Fuel Gas Company, operating in the middle and western part of West Virginia, eastern Kentucky and southern Ohio. The Ohio Fuel Supply Company, The Columbia Gas and Electric Company and The Union Gas and Electric Company. The Point Pleasant Gas Company, an interstate company, owned by The Ohio Fuel Supply Company, is also part of this system.

A brief description of the above mentioned companies, with copies of exhibit maps, showing their position and function in each of said four systems, is as follows:

## THE MANUFACTURERS LIGHT &amp; HEAT COMPANY

The Manufacturers Light & Heat Company has a system of gas pipe lines covering the western portion of the State of Pennsylvania and northern portion of the State of West Virginia, and a number of towns along the eastern boundary of the State of Ohio. A detailed statement of the affairs of this company is given in the testimony of Mr. Quay, the general manager of the company. His testimony appears in the record, beginning on page 4. This company has under lease in West Virginia approximately 170,000 acres, in Pennsylvania approximately 180,000 acres, and in Ohio approximately 15,000 acres. (Record, page 5). It has 457 gas wells in West Virginia, 700 in Pennsylvania and 10 in Ohio (Record, page 6). It produced in the State of West Virginia in the year 1919 approximately 5,700,000,000 cubic feet of gas, in Pennsylvania approximately 6,500,000,000 cubic feet, and in Ohio approximately 300,000,000 cubic feet. It purchased in the State of West Virginia, in the year 1919, approximately 13,500,000,000 cubic feet of gas, in Pennsylvania approximately 900,000,000 cubic feet, in Ohio approximately 100,000,000 cubic feet. The major portion of the gas purchased by this company was secured from The Hope Natural Gas Company, a large producer in the State of West Virginia, which company is hereinafter discussed in detail. (Record, p. 7).

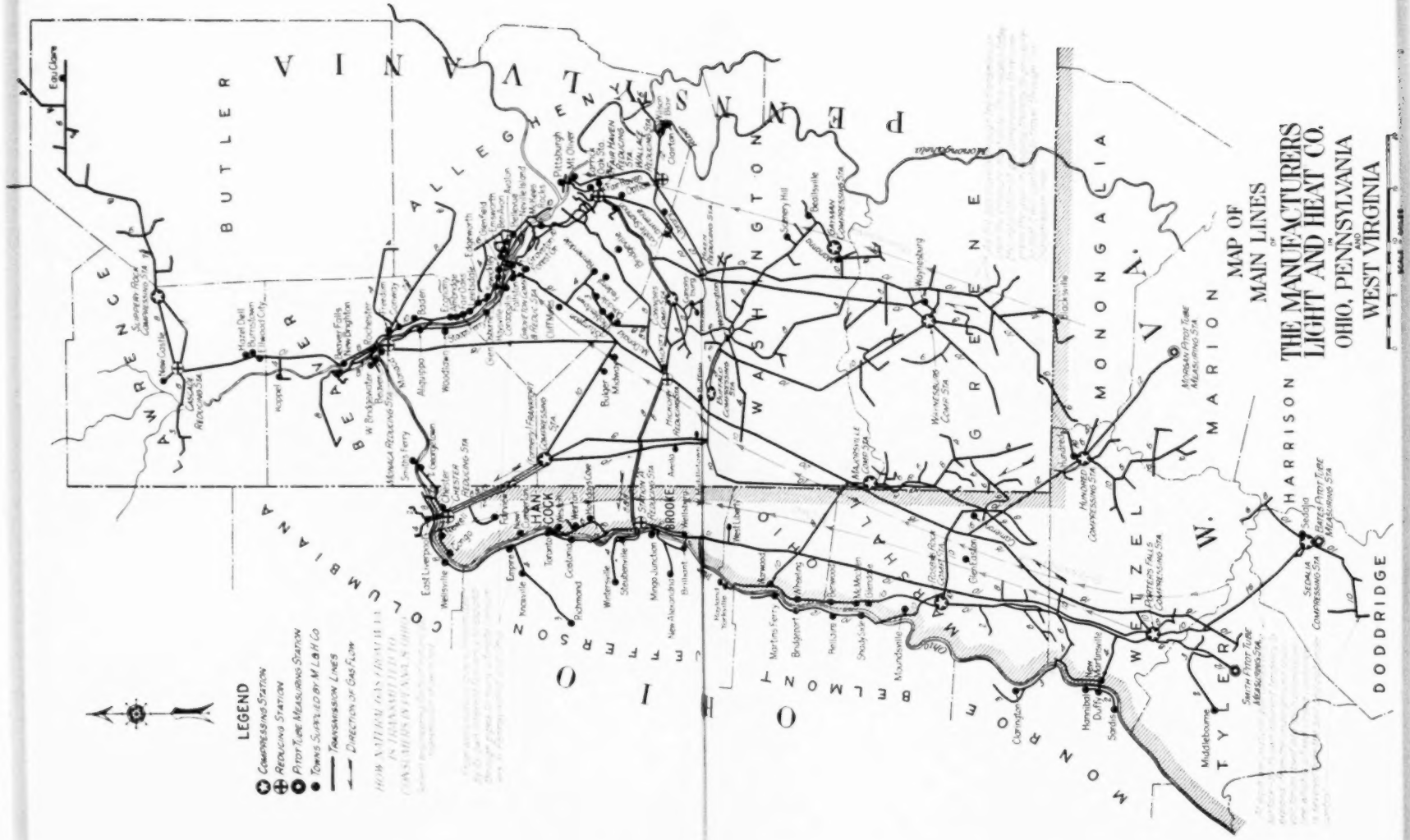
This company has in West Virginia approximately 11,000 consumers, in Pennsylvania approximately 75,000 and in Ohio approximately 26,000. A map showing the lines of this company was introduced in evidence, at page 876 of the record, by the witness Wyer, being Pennsylvania Exhibit 39c, appearing in the record at page 1585, is here inserted.



PENNSYLVANIA EXHIBIT 39 E.

Offered at p. 876 of Printed Record by Witness Wyer.

*Manufacturers Light & Heat Company Map.*







This map shows very frequent crossings and re-crossings of the state lines between West Virginia and Pennsylvania, and West Virginia and Ohio. It shows that the lines were constructed in complete disregard of state lines, and solely with reference to the convenience of the company and of the communities which it had an opportunity to supply with gas.

The portion of the testimony of witness Quay upon this point is here inserted:

"The gas passes from the State of West Virginia into the State of Pennsylvania, passes from the State of Pennsylvania back into West Virginia, passes from the State of West Virginia into Ohio, and passes from the State of Ohio back into West Virginia." (Record, page 18).

"I believe that there are forty-three different points at which our lines cross from West Virginia into Ohio, from West Virginia into Pennsylvania, and vice versa." (Record, page 27).

The largest towns in the so-called Panhandle District of West Virginia, namely, Chester, New Cumberland, Weirton, Holliday's Cove, Follansbee and Wellsburg, are many times supplied entirely with gas coming from Pennsylvania or Ohio. (Rec., p. 53.)

The lines of this system constitute

"one huge net work spreading over parts of three states—Ohio, Pennsylvania and West Virginia." (Record, Wyer, p. 887).

## THE HOPE NATURAL GAS COMPANY.

The Hope Natural Gas Company was formed in 1898 to take over the gas wells and gas territory of the South Penn Oil Company. (Corrin, p. 332). It was the West Virginia end of a pipe line system all built at one time and for one purpose, the Ohio end being built by The East Ohio Gas Company to supply Canton, Massillon, Akron and other towns in Ohio. The lines of the Hope Company as they exist at the present time are shown by Pennsylvania Exhibit 39b, offered at page 876 of the printed record by witness Wyer, and appearing at page 1582 of the printed record, a copy of which exhibit we here insert.

PENNSYLVANIA EXHIBIT 39 B.

Offered at p. 876 of Printed Record by Witness Wyer.

*Hope Natural Gas Company Map.*

This also shows River Gas Co., along Ohio river as described at p. 318-319  
of Printed Record by Witness Corrin.



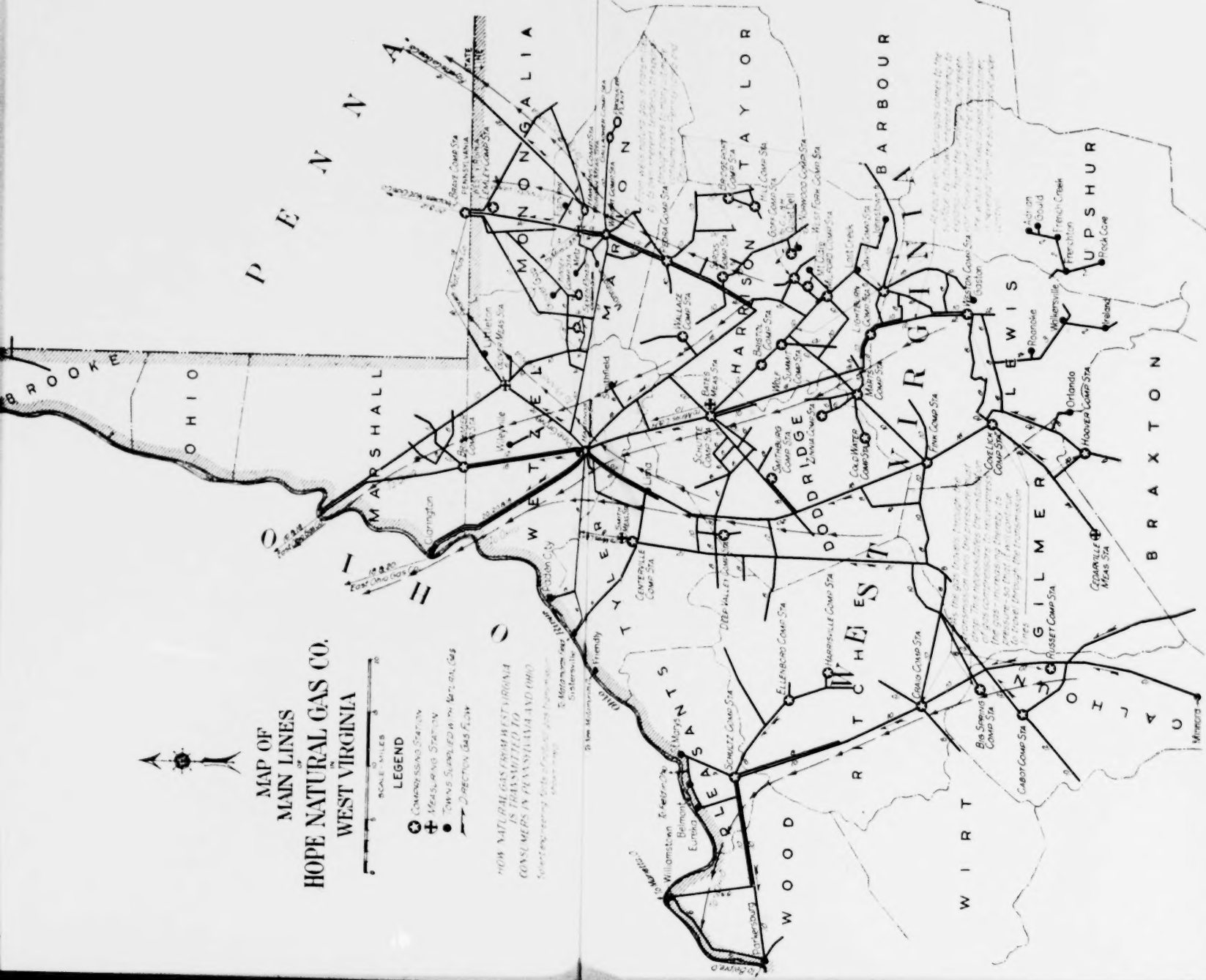
MAP OF  
MAIN LINES  
OF  
HOPE NATURAL GAS CO.  
WEST VIRGINIA

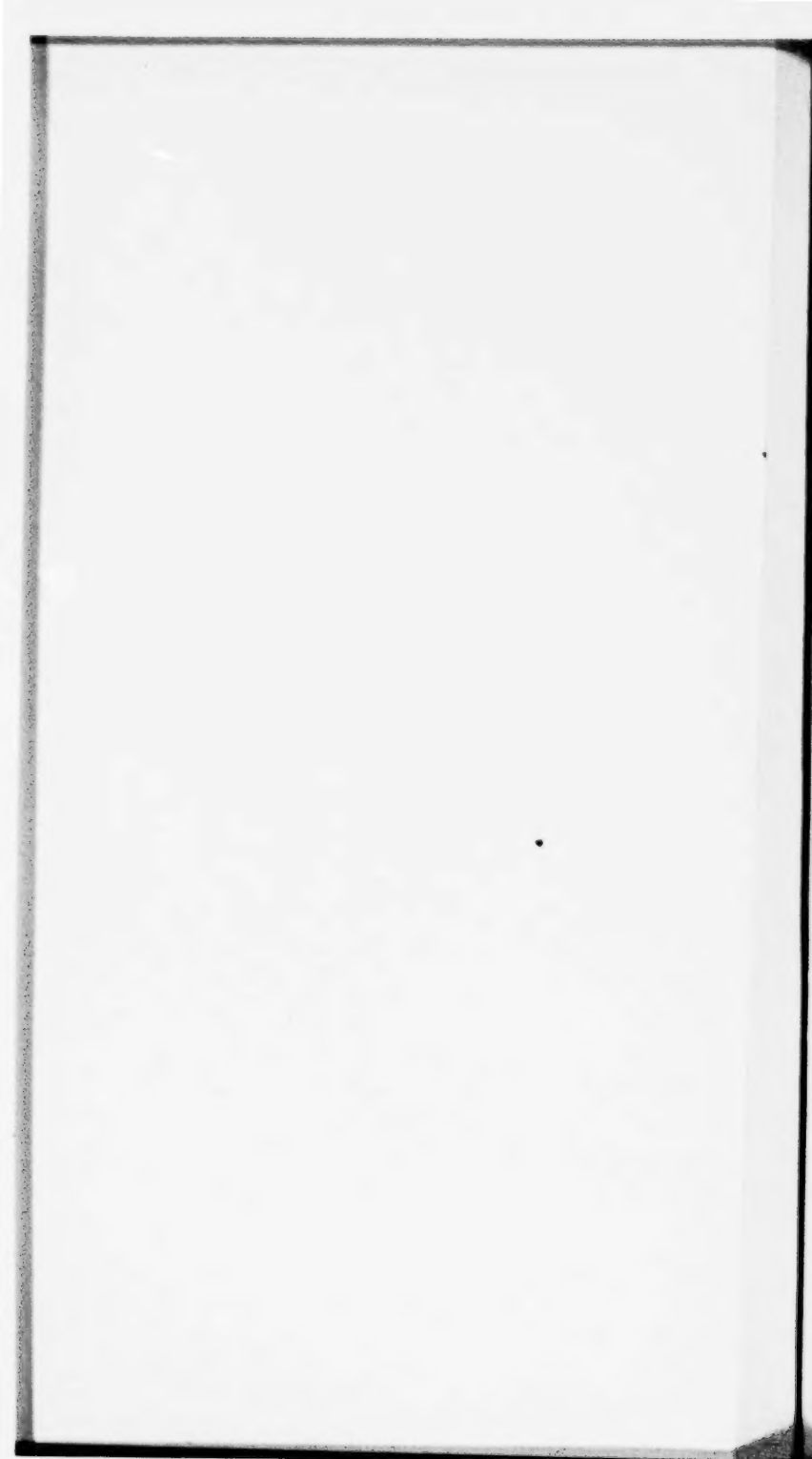
SCALE MILES  
0 10 20

LEGEND

- COMPRESSION STATION
- ⊕ MEASURING STATION
- TOWNS SUPPLIED WITH NATURAL GAS
- DIRECTION GAS FLOW

HOW NATURAL GAS FROM WEST VIRGINIA  
IS TRANSMITTED TO  
CONSUMERS IN PENNSYLVANIA AND OHIO  
Several engineering firms of England, the Pennsylvania  
System, the Ohio System, and the West Virginia  
System.





This map shows pipe lines of various dimensions, from two inches in diameter to twenty inches in diameter, extending over numerous counties in West Virginia. It shows also numerous compressing stations in which the pressure necessary to cause the gas to flow in the desired direction is restored to the gas. This map shows along the northern and western boundaries of the State of West Virginia points at which the gas is delivered out of the lines of the Hope Company to consumers and other companies in Pennsylvania and Ohio. At Clarington, West Virginia, three lines of the Hope Company, being 20, 20 and 18 inches in diameter, respectively, are shown, which deliver gas from the Hastings compressor station to The East Ohio Gas Company lines, which transport the same into the State of Ohio. A similar situation is shown farther north and east along the river, where, at a point called Round Bottom, two other lines, 10 and 18 inches in diameter, respectively, deliver gas from the Hastings compressor station to The East Ohio Gas Company for transportation into Ohio. Along the southern boundary of Pennsylvania and the northern boundary of West Virginia, other points are shown at which the Hope Company delivers gas to other companies for consumption in the State of Pennsylvania.

The largest sales of gas made by the Hope Company for consumption in the State of Ohio are made to The East Ohio Gas Company. The contract under which these sales are made at present is Pennsylvania Exhibit No. 19, offered by witness Sullivan at page 225 of the

printed record, and reproduced in full at page 1544 of the printed record. It supersedes the oral contract made in the formation of both companies in 1898 and recites in substance that the Hope Company is the owner of gas wells, gas rights and leases for gas purposes in the State of West Virginia, and is the owner of pipe lines extending from its natural gas territory in the State of West Virginia to boundary of the State of Ohio on the Ohio river, and that The East Ohio Gas Company holds franchises and distributing systems for the distribution of natural gas in the city of Cleveland and other cities, villages and towns in the State of Ohio, and is the owner of three trunk lines extending from the boundary of the State of Ohio on the Ohio river through the State of Ohio to the city of Cleveland and connecting with distributing systems owned by the said Ohio company in the city of Cleveland and in various cities, villages and towns in the State of Ohio. It further shows the undertaking and agreement of the Hope Company to sell and deliver to The East Ohio Company and of the East Ohio Company to purchase and take from the Hope Company, all the natural gas requisite for the supply of the domestic consumers of The East Ohio Gas Company, and also certain amounts of gas to be supplied upon special terms and with the consent of the Hope Company for manufacturing purposes. The contract regulates the pressure at which the gas is to be delivered and recites in the seventh division thereof, at page 1546 of the record, that the contract shall continue unless previously terminated by mutual consent of the parties so long as the Hope Company produces gas in

marketable quantities in West Virginia. **The seventh division of the contract further provides for preferential service for the domestic consumers on the lines of the Hope Company in West Virginia, and for the pro rating of all of the rest of the supply of gas of the Hope Company between the domestic consumers of The East Ohio Company and those of the Peoples Natural Gas Company.** The contract contains many provisions covering the details of so large and important a transaction, but none of which, we believe, is material in this litigation.

#### THE RIVER GAS COMPANY.

The River Gas Company obtains its gas supply for distribution from West Virginia. It supplies towns in both Ohio and West Virginia, namely, Marietta, Matamoras, Newport, Belpre, Stockport, Chester Hill, Amesville, Painesville, Gravel Bank, Reno and Fly.

“Part of the Hope’s allotment of gas going through the lines of The Connecting Gas Company was taken by The Hope Natural Gas Company and sold to the River Company.” (Record, page 321).

At times the gas from its lines in Ohio passes back into West Virginia through the lines of The Hope Natural Gas Company. The testimony of the witness Corrin upon this point appears at page 205 of the record:

“It is true that gas at times goes from the lines of the River Gas Company back into the State of West Virginia through the lines of the Hope Company. I know this, because there is a meter on the lines and we pay the River Gas Company for the gas that goes through.”



The map of the lines of the Hope Company, Pennsylvania Exhibit 39b, which we have hereinbefore inserted at page — in this brief, shows also the lines of The River Gas Company.

### THE EAST OHIO GAS COMPANY.

The East Ohio Gas Company, the company entitled to receive the gas from the Hope Company under the contract herein last discussed, has an extensive system of gas transmission and distribution lines in the State of Ohio, which supply gas to many cities, among them Youngstown, Alliance, Canton, Massillon, Akron and Cleveland. It owns and operates five large pipe lines, being 20, 18, 18, 10 and 18 inches in diameter, respectively, the longest of which is 134 miles in length, and the shortest of which is 100 miles in length, which transport gas, three from Clarrington and two from Round Bottom on the Ohio river, at which points the gas is received from The Hope Company, to the cities hereinbefore named and numerous other municipalities in Ohio. (Record, 565, 567, 582; Pennsylvania Exhibit 47, record 1599). The first of these lines was laid from Round Bottom on the Ohio River to the city of Akron, Ohio, in the year 1898. (Record, 590). All of its main lines, their dimensions and directions and communities supplied by them are shown upon a map, which was offered in evidence at page 973 of the record, by the witness Wyer, as Pennsylvania Exhibit 47, and which appears at page 1599 of the record, a copy of which map we here insert.

PENNSYLVANIA EXHIBIT 47.

Offered at p. 973 of Printed Record by Witness Wyer.  
*Map of the Main Lines of the East Ohio Gas Company.*





The testimony of the witness Daly, at page 582 of the printed record, shows conclusively how The East Ohio Gas Company and The Hope Natural Gas Company are dependent upon each other for their supply of gas and market, respectively. We quote here a part of Mr. Daly's testimony:

"Q. You may state whether or not it is a fact that when The East Ohio Gas Company would construct its lines 1, 2, 3, 4 and 5 from the river northwardly, as you have described, The Hope Natural Gas Company, on the West Virginia side of the river, would construct a line or lines from its system, perhaps Hastings Station, northwardly to the river, and connect with your lines, having with your company a unity of purpose of transporting West Virginia gas into Ohio for distribution to your consumers."

p. 538:

"A. The investment in each instance was made after the East Ohio Company had received the assurance of The Hope Natural Gas Company that it had an adequate supply of gas and would lay additional transportation lines of sufficient size to transport the quantity of gas desired, up to the full capacity of the pipe lines that the East Ohio Company constructed."

The testimony of Mr. Daly at page 570, with reference to the source of supply of the gas distributed by The East Ohio Gas Company here follows:

"A. No, it had no territory in the State of Ohio. The East Ohio Gas Company had no territory in the State of Ohio until after 1903.

"Q. Prior to 1903, where did it procure its gas?

"A. Purchased it under contract from The Hope Natural Gas Company. That contract was entered into prior to the construction of the No. 1 ten-inch line running from Pipe Creek to Akron.

"Q. Then since the inception of The East Ohio Gas Company in 1898, it has been procuring gas delivered to it from West Virginia by The Hope Natural Gas Company?

"A. Yes, sir; it didn't start any development for itself until 1906 or 1907."

Page 569:

"Q. What are the sources of your gas supply?

"A. We purchase nearly all of our gas—approximately 80 per cent. of it—from The Hope Natural Gas Company."

"The Hope Natural Gas Company was organized for the purpose of supplying The East Ohio Gas Company with gas."—Tonkin, p. 425.

The amounts of gas produced in West Virginia and purchased by The East Ohio Gas Company for the purpose of supplying Ohio communities, and the extent to which those Ohio communities are dependent upon the West Virginia gas for their supply, are shown by the testimony of Martin B. Daly, beginning record, page 563, and the figures especially appear at pages 569 and 570. They show that in 1918 the East Ohio Company purchased from the Hope Company 36,069,354,000 feet; produced in Ohio 8,317,075,000 feet; purchased in Ohio 4,290,920,000 feet of gas. The testimony of the same witness at page 573 shows the towns served by this company as of December 31st, 1919, and the number of consumers in each town. Thirty-four principal towns are shown to be served, the largest being Cleveland, having 208,294 consumers, and the smallest New Middletown, with 65 consumers. On pages 575 and 576 appears a

table prepared by the same witness showing the meter connections for the United States government, the state, subdivisions of the state, such as municipalities, counties and school boards, and churches, parsonages, and charitable institutions. The tables appearing at page 580 of the record, prepared by the witness Daly, show that substantially all of the gas distributed by The East Ohio Gas Company is distributed to domestic consumers. This company is active in its efforts to procure additional gas territory and to increase the production from territory already acquired. (Record, page 585).

#### THE RESERVE GAS COMPANY.

A map of the main lines of The Reserve Gas Company in West Virginia, offered at page 877 of the printed record by witness Wyer as Penn. Exhibit 39c, and appearing in the record at page 1583, is here inserted.








PENNSYLVANIA EXHIBIT 39 C.

Offered at p. 876 of Printed Record by Witness Wyer.

*Reserve Natural Gas Company Map.*

 COMPRESSING STATION  
 MEASURING STATION  
 DIRECTION OF GAS FLOW

*Note:*  
The towers of Larnier and  
Whorthing are supplied by  
Bosworth Cuts Company

2. The author states that the first step in the process of the author's research was to identify the problem. The author then discusses the importance of the problem and the need for research. The author then discusses the methodology used in the research and the results of the research. The author then discusses the implications of the research and the need for further research.

**R I T C H I E**  
 • From world natural gas to human life  
 • By the power of technology  
 • Through pipes to many of our consumers  
 • In the past century

CANDOR  
COMPRESSING S  
Cand

WILSONBURG  
COMPRESSING STA

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KENNEDY  
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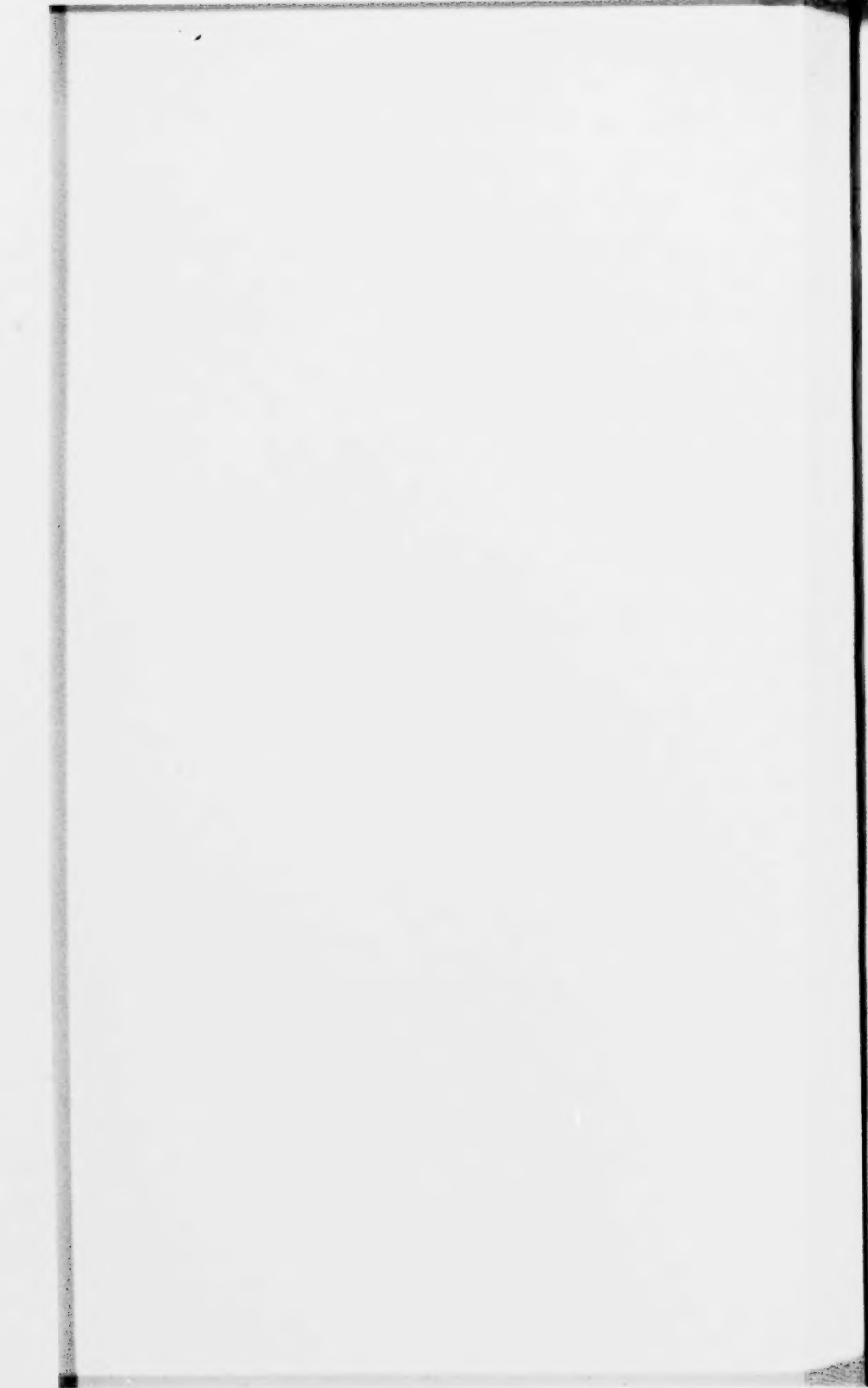
1 CAMDEN  
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L E W I S

...the ... ..  
...the ... ..  
...the ... ..  
...the ... ..

MAP OF  
MAIN LINES  
OF  
RESERVE GAS COMPANY  
IN  
WEST VIRGINIA

0 5 10 15  
SCALE - MILES



This map shows that practically all of the production of this company is in the counties of Harrison and Lewis in West Virginia, and that the gas is there compressed and sent through three large lines, being 12, 12 and 16 inches in diameter, which are, before reaching the river, reduced to two 16-inch lines, to a point on the Ohio river where the gas is delivered to The Connecting Gas Company. Detailed information with reference to the operations of The Reserve Gas Company is given by the witness Corrin, the manager of the company, at page 317ff of the record. This company had, in January, 1920, approximately 750 wells and approximately 56,000 acres of territory, and approximately 525 miles of pipe line. (Record, 317). The lines of the company extend to the state line between the states of West Virginia and Ohio at Boaz, south of Marietta, Ohio. The Reserve Company, during the year 1919, produced 20,911,000,000 feet of gas and purchased during the same period 1,267,000,000. (Record, pp. 319, 320).

The gas which it delivers at Boaz, Ohio, is there received by The Connecting Gas Company, which is merely a transporting company, transporting gas produced by The Reserve Gas Company from the state line between Ohio and West Virginia to a point in Ohio called Sugar Grove, through two 16-inch pipe lines, approximately 60 miles long. This gas, transported to Sugar Grove, Ohio, is there apportioned between two companies, one being The Union Natural Gas Corporation, which through its subsidiary companies supplies many municipalities in the central and northern part of Ohio with gas. (Record, p. 321).

The other line of the Connecting Company carries gas from the West Virginia line to Wheeler Station at Sugar Grove, Ohio, where it is delivered to The Northwestern Ohio Natural Gas Company for transportation to Toledo and other cities in northwestern Ohio. (Rec., 323).

The contract between The Reserve Natural Gas Company, The Union Natural Gas Company, The Hope Natural Gas Company, The Connecting Gas Company and T. N. Barnsdall, dated April 11th, 1913, offered in the printed record at page 225 by the witness Sullivan and appearing in the printed record at page 1535 as Pennsylvania Exhibit No. 18, supercedes prior contracts made at the time of the building of the plants in 1902. This contract on its face shows that it was made for the purpose of purchasing gas from the Reserve Company and having it transported to various points in Ohio for the purpose of supplying gas to The Union Natural Gas Corporation for the communities in Ohio which it serves and of supplying gas to The Northwestern Ohio Natural Gas Company with gas for Toledo and other Ohio communities. **As in all other contracts made and in evidence in this case pursuant to which gas is produced in West Virginia and transported to consumers in Ohio communities, provision is made for preferential service for the domestic consumers of the respective producing companies in West Virginia.** The contract is long and detailed, but we believe that the statements here made concerning it show all of it that is material to this litigation.

## THE UNION NATURAL GAS CORPORATION.

The Union Natural Gas Corporation was organized under the laws of the State of Delaware in 1902, and proceeded forthwith in the same year to acquire 50 per cent., less one share, of the capital stock of The Reserve Gas Company, a West Virginia corporation, and of The Connecting Gas Company, an Ohio corporation, together with T. N. Barnsdall's interests and right to a certain contract executed in 1902 between himself, The Hope Natural Gas Company and The Reserve Natural Gas Company. (Record, p. 748). The Union Natural Gas Corporation, which receives gas from The Reserve Gas Company through the lines of The Connecting Gas Company at Sugar Grove, Fairfield county, Ohio, owns and holds the stock of thirteen distributing companies in the State of Ohio. (Record, pages 748-749.) The largest of these is The Logan Natural Gas and Fuel Company, acquired in 1902, which owns all leases, gas wells, does all the developing and owns all the pipe lines or transmission lines, with two unimportant exceptions, that are identified with and used in connection with the supplying of gas to said distributing companies. (Record, pages 749 and 771). A map designated by the witness Whitecomb as a "Field and Main Line Map" of the subsidiary companies of The Union Natural Gas Corporation in Ohio and Indiana was offered at page 750 of the printed record by the witness, as Ohio Exhibit No. 10, and appears at page 1708 of the printed record. The map is here next inserted.



OHIO EXHIBIT 10.

Offered at p. 750 of Printed Record by Witness Whitcomb.

*Map of Main Lines of Logan Natural Gas & Fuel Company in  
Indiana and Ohio.*



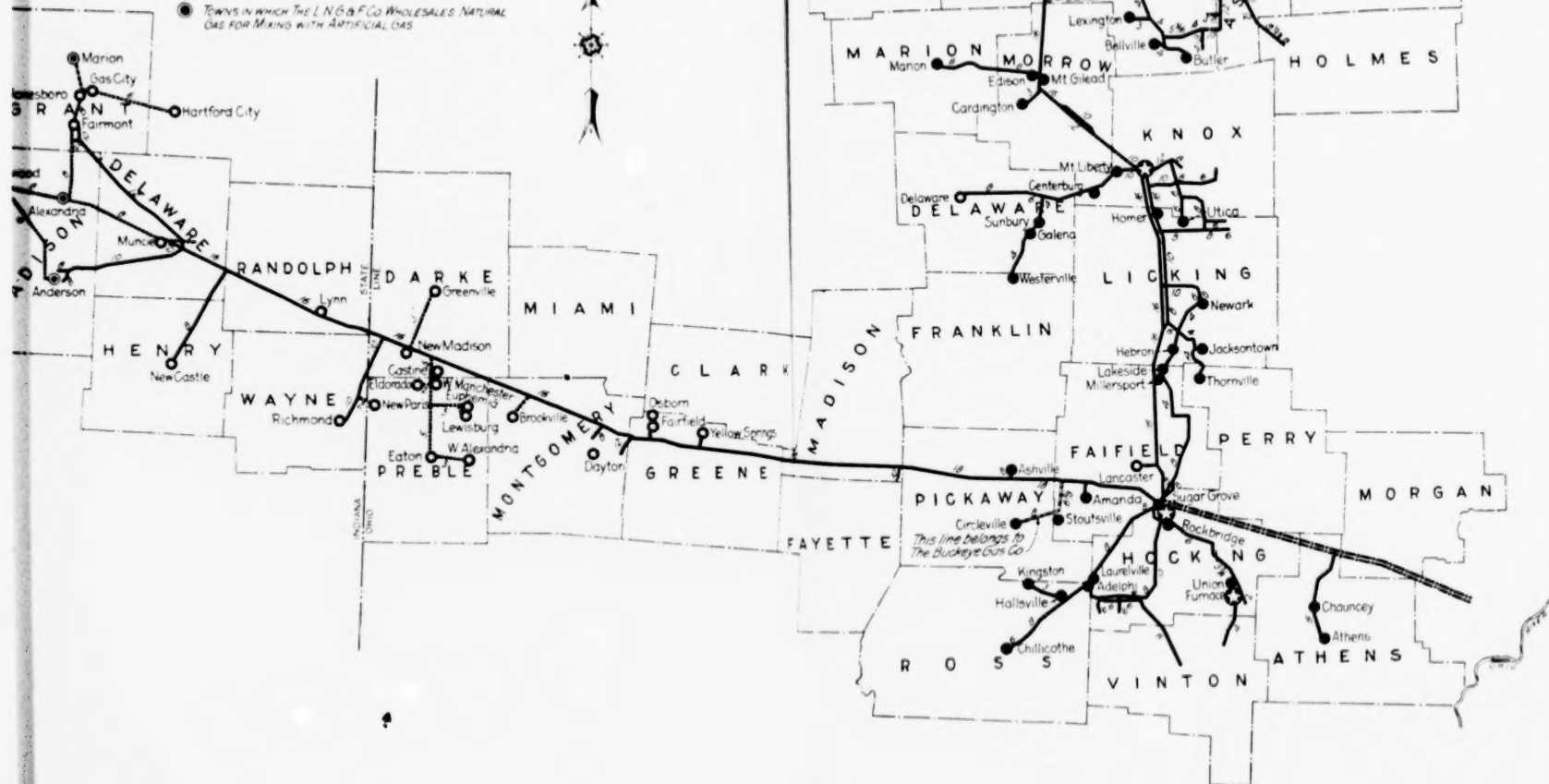
# MAP OF MAIN LINES OF THE LOGAN NATURAL GAS & FUEL CO. IN INDIANA AND OHIO

July 1, 1920



## LEGEND

- THE LOGAN NATURAL GAS & FUEL COMPANY'S MAIN TRANSPORTATION AND PRODUCTION LINES
- LINES OF OTHER COMPANIES THROUGH WHICH THE L.N.G.&F.CO.'S GAS IS OR WAS FORMERLY SOLD
- LINES OF OTHER COMPANIES THROUGH WHICH THE L.N.G.&F.CO. PURCHASES GAS
- ★ COMPRESSING STATIONS OF THE L.N.G.&F.CO.
- TOWNS IN WHICH THE L.N.G.&F.CO. RETAILS GAS
- TOWNS IN WHICH THE L.N.G.&F.CO. WHOLESALES GAS
- ⊙ TOWNS IN WHICH THE L.N.G.&F.CO. WHOLESALES NATURAL GAS FOR MIXING WITH ARTIFICIAL GAS



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the lines of The Connecting Company also are shown on this map by the two broken parallel lines lying close together and extending from the Ohio River northwest of Sugar Grove in Fairfield county, Ohio.

This map shows that service is rendered by these various Ohio companies in many counties and municipalities in the northern and western parts of the State of

Ohio. The natural gas transported through The Logan Natural Gas and Fuel Company's 18-inch line westward from Sugar Grove to The Jantha Light and Heat Company in Indiana, to all Indiana consumers, and to Dayton, Ohio, is "all from West Virginia." (Record, page 753). The contracts on the line from Sugar Grove to Dayton, Indiana contemplate and provide for the delivery of West Virginia gas only. The Sugar Grove compressing station was installed for the distribution or the compression of gas produced both in Ohio and in West Virginia; at the time of the laying of the 18-inch Sugar Grove line, in 1913, the station was very materially increased as to capacity in order to take care of the increased volume of gas from West Virginia, to drive it on to Dayton and to points in Indiana. There is no other compressing station on that line, a distance of approximately 182 miles. (Whitcomb, p. 782).

These affiliated companies not only buy large quantities of gas from The Reserve Company, at Sugar Grove, but also produce a considerable quantity of gas in the State of Ohio, or purchase such gas from producers. A tabulation of the cities and towns in Ohio and

Indiana served by these affiliated companies, appears on pages 758, 760 and 761 of the printed record. They show a total of more than 130,000 consumers, representing a population of more than 500,000 people. Tables on pages 761, 762 and 763 show that these companies furnish a large amount of gas to public institutions operated by the State or its subdivisions.

The testimony of the witness Whitcomb at page 773 of the record shows a delivery of more than 9,000,000,000 cubic feet of gas by the Reserve Company to the Logan Company in the year 1919, under the provisions of the contract between the Reserve Company and the Union Company and others hereinbefore discussed, being Pennsylvania Exhibit No. 18. The testimony of the witness Whitcomb at page 768 shows that all of the communities lying upon the line which appears upon the map as running from Sugar Grove, Ohio, west to Elwood, Indiana, are supplied and have a right to be supplied only with West Virginia gas, purchased from the Reserve Company through the lines of the Connecting Company at Sugar Grove, Ohio.

A summary of the investment for delivery of gas from West Virginia to Ohio and Indiana consumers shows a total of \$6,521,254.08. (Record, page 786). The total number of consumers supplied with West Virginia gas by The Logan Natural Gas and Fuel Company, directly and indirectly, represents a population of 364,949, and 78,994 consumers. (Record, p. 787).

## THE NORTHWESTERN OHIO NATURAL GAS COMPANY.

The Northwestern Ohio Natural Gas Company has already been discussed in connection with the discussion of The Hope Natural Gas Company and will hereinafter be referred to in connection with The Ohio Fuel Supply Company. The main or transmission lines of this company appear on the map of The Ohio Fuel Supply Company's lines. Pennsylvania Exhibit 49, record, p. 1601, which exhibit is to be evidence of that fact the same as it separately offered. (Record, p. 717). Its gas supply comes from The Hope Natural Gas Company in West Virginia, through the lines of The Connecting Gas Company, by virtue of an arrangement before mentioned with The Reserve Gas Company. (Record, p. 1509, 1535). As shown on said map, the gas is transported through two 10-inch lines from Horn's Mills, Fairfield county, Ohio, to the cities of North Baltimore, Bowling Green, Perrysburg, Maumee and Toledo, a total distance of about 160 miles. The gas distributed by this company comes exclusively from West Virginia, except for some small amounts of gas which this company procures from The Ohio Fuel Supply Company in emergency cases, where the Hope Company does not furnish a sufficient amount. (Record, pp. 718-19). This company has a production of its own from only six or seven wells.

Its consumers are all situated in the northwestern part of Ohio and are as follows:

City of Toledo.....	52,132
Maumee .....	489
North Baltimore.....	663
Perrysburg .....	595
Bowling Green .....	1,639

The population dependent upon this company for natural gas service is more than 250,000. (Record, p. 721). Its supply has been furnished almost exclusively for domestic use, less than 10 per cent. being furnished for industrial use. (Record, 722).

#### THE UNITED FUEL GAS COMPANY.

The United Fuel Gas Company, a large producer and transporter of gas in West Virginia, is shown by a map which was offered at page 876 of the printed record by the witness Wyer as Pennsylvania Exhibit 39d, which map appears at page 1584 of the printed record. A copy of said map is here inserted.

PENNSYLVANIA EXHIBIT 39 D.

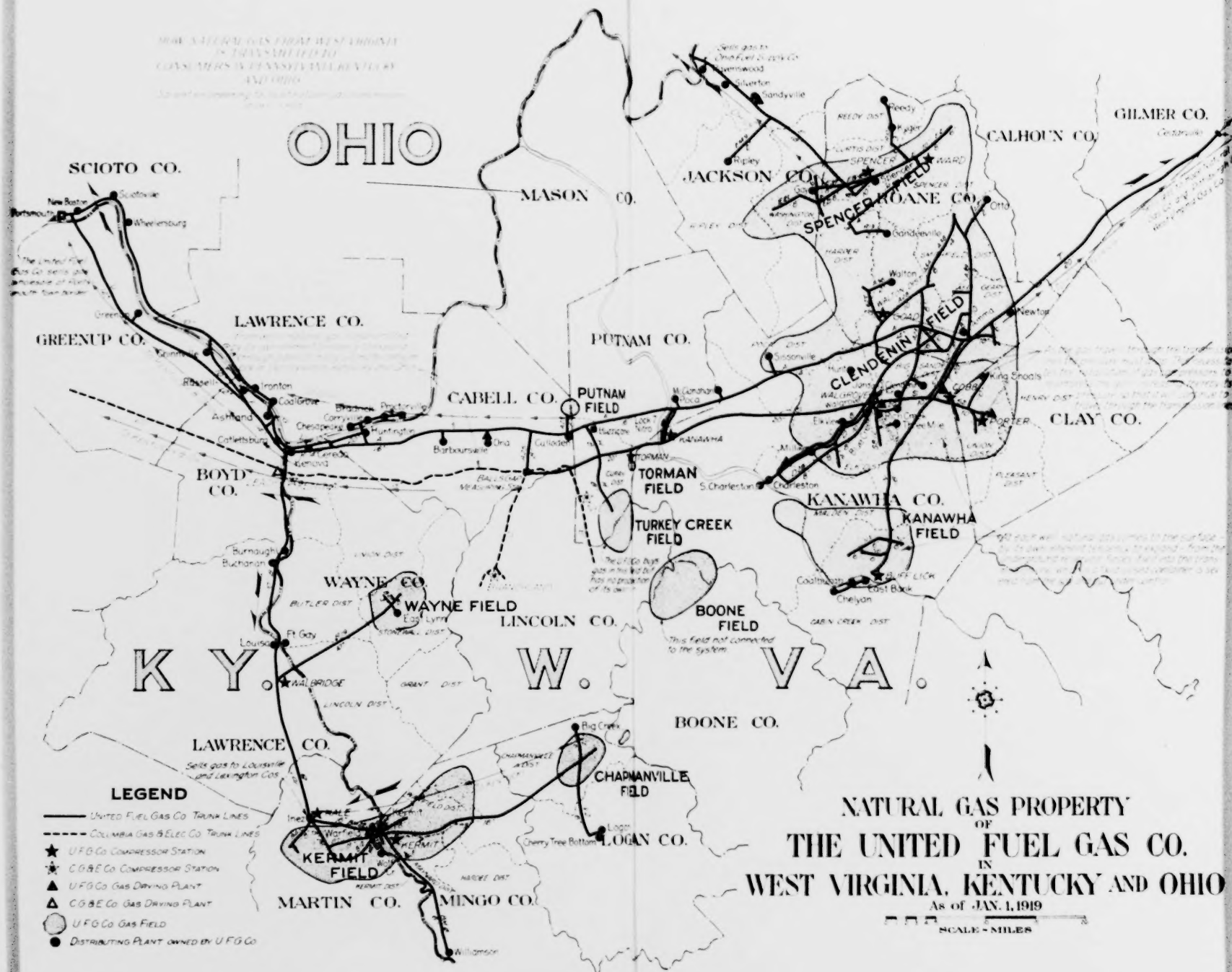
Offered at p. 876 of Printed Record by Witness Wyer.

*United Fuel Gas Company Map.*

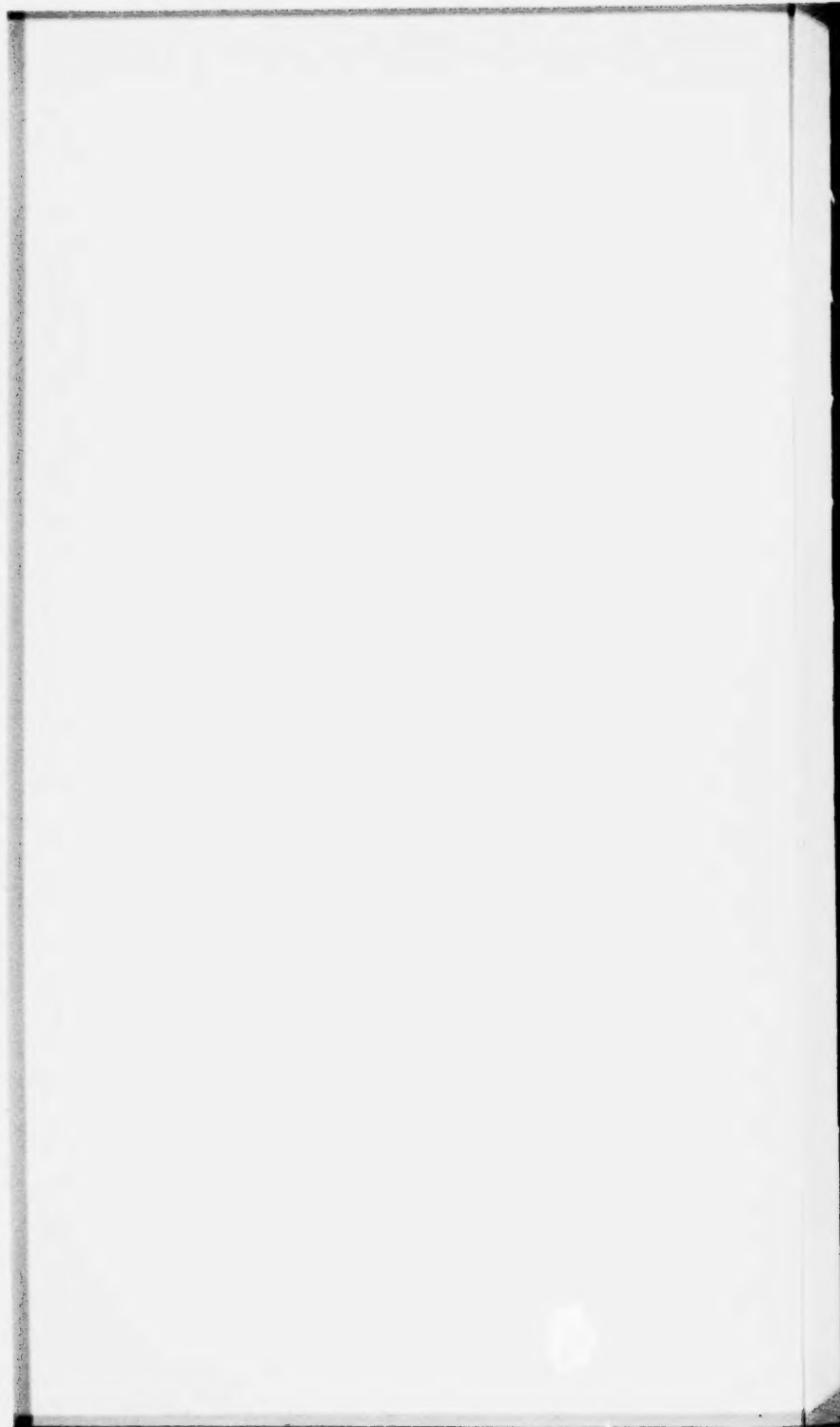
HOW NATURAL GAS FROM WEST VIRGINIA  
IS TRANSPORTED TO  
CONSUMERS IN KENTUCKY, INDIANA, OHIO  
AND MISSOURI

Supplied and operating by the United Fuel Gas Co. and its subsidiaries  
JAN. 1, 1919

OHIO







It shows that this company transports gas from its northern field in West Virginia to Ravenswood on the Ohio River, and there delivers it to The Ohio Fuel Supply Company, by which company it is transported farther into Ohio. It shows further that gas is transported from the Clendenin field to various points upon the Ohio River, crossing the river at several places, one of which is in the vicinity of Portsmouth, Ohio. It further shows that gas is transported from the Kermit field, which lies partly in West Virginia and partly in Kentucky through a line which crosses the state line between West Virginia and Kentucky at several places, and discharges into the lines already described which carry the gas into the State of Ohio near Portsmouth, Ohio. This same map shows lines of The Columbia Gas and Electric Company, the company which supplies the City of Cincinnati, Ohio, extending through the States of Kentucky and West Virginia to Ball's Gap, West Virginia, where gas is purchased from The United Fuel Gas Company. A full description of this system appears in the testimony of the witness Wallace, the general manager of the United Fuel Gas Company. At page 361 of the printed record the testimony of Mr. Wallace shows that this company has 626 wells in West Virginia and 47 wells in Kentucky. The utter disregard of state lines, with which this company's lines were established, crossing and re-crossing the state lines between Ohio, West Virginia, and Kentucky, to supply communities lying in any of these states which could be conveniently supplied by this company, is so significant of the confidence which the business inter-

ests of the country have reposed in the frequent statements of this court that, with respect to commercial intercourse, state lines are non-existent, that we quote verbatim the testimony of this witness, as it appears on pages 361, 362, 363, 364 and 365 of the printed record:

"A. Our main transmission line, leading from the Roane county field, beginning at Roxalana, in Roane county, West Virginia, extending to Portsmouth, Ohio, consisting of 10-inch, 14-inch and 16-inch pipe, approximately 125 miles in length. This line is known as our line "A." We also have—

Q. Just a moment, before you get to another line. That line crosses the Big Sandy river, does it not, at Kenova?

A. It does.

Q. And runs through Kentucky, up to a point above Ashland, where it divides and crosses the river into Ohio, at some place above Chinnville, and continues on to Portsmouth, on the other side of—the other branch continues on to Portsmouth, on the other side, on the Kentucky side of the Ohio river; while the branch continues up to Wheelersburg, Sciotoville, New Boston, to Portsmouth on the opposite side, the Ohio side of the Ohio river? Is that the fact?

A. It is.

Q. And this is shown here on the map?

A. It is.

Q. Now, then, to what points is this line particularly designed to transport gas, up to what points? Or, transportation to what points is this line used for?

A. Coal Grove, Ohio, Ironton, Ohio, Wheelersburg, Ohio, Sciotoville, New Boston and Portsmouth, all in the State of Ohio.

Q. Now, what about those towns in Kentucky—that is, Catlettsburg and Ashland, and so on?

A. We have the main line on the opposite side of the river in Kentucky supplying Catlettsburg and

Ashland, Russell, Chinnville, in Greenup county, and Boyd county, Kentucky.

Q. What towns in West Virginia does this line supply?

A. Kenova, Ceredo, Huntington, Barboursville, Ona, Culloden, Hurricane, Nitro, Poca, Sissonville, Clendenin, and other smaller places.

Q. The United Fuel Gas Company produces its gas then in the Roane county filed from its own gas territory, and through its own gas well, and transports this gas through this line supplying these various cities and towns in West Virginia, Ohio and Kentucky, as you have described. Now state whether it does that in its own name directly, as a producing, operating, transporting and supplying company?

A. It does supply all these various places in its own name and with its own gas, transported through these lines. Also, in addition to the river crossing previously spoken of, there is another one at Huntington, supplying Corryville, Bradrick, Proctorville and Chesapeake, in Lawrence county, Ohio.

Q. That crosses the Ohio river there at Huntington?

A. It does.

Q. And is there another crossing, or two crossings, near Kenova?

A. There are two crossings. One of them has been previously referred to, and there is another additional crossing at Chinnville, from Greenup county, Kentucky, into Lawrence county, Ohio.

Q. In addition to that Chinnville crossing, there are two lines that cross the Big Sandy at Kenova, and above, are there not?

A. Yes, sir, one line crossing near Huntington, that has been previously referred to—

Q. No, I mean right there, just above Kenova.

A. There is a line leading across the point at Coal Grove from Boyd county, Kentucky, into Lawrence county, Ohio; a line crossing near Chinnville from Greenup county, Kentucky, into Lawrence county,

Ohio; the line crossing again from Greenup county into Ohio near New Boston, Ohio.

Q. Now, at Portsmouth, Ohio, do you supply the town of Portsmouth direct, in the name of the United Fuel Gas Company, or do you supply some local company there that has the distributing system?

A. We supply the local company at Portsmouth, at the city limits, with gas.

Q. What is the name of that company, do you remember?

A. The Portsmouth Gas Company.

Q. And at all the other towns that you have described, the United Fuel Gas Company maintains the distributing systems itself?

A. It does.

Q. Now, take up the next important transmission line of the company?

A. We have an additional line practically paralleling line "A," previously spoken of, known as our line "S," leading from the Roane county field to Ball's Gap measuring station. This line is approximately 49 miles in length, consisting of 10-inch, 12-inch and 20-inch pipe; by far the larger proportion of it being 20-inch O. D. pipe.

Q. Now, this line supplies, as shown by your map, a number of towns in West Virginia?

A. It does.

Q. And at Ball's Gap, with what line does it connect there?

A. With the 18-inch line belonging to the Columbia Gas and Electric Company, of Cincinnati.

Q. And where did that carry the gas?

A. The 18-inch gas line carries the gas from our measuring station at Ball's Gap, at which point the gas is measured to the Columbia Gas and Electric Company, to their Kenova compressor station; from which point it is compressed and delivered to a 20-inch line to the City of Cincinnati.

Q. How many miles distant?

A. 123 miles from Kenova compressor station to

Cincinnati, and 29 miles from our measuring station to Kenova.

Q. You refer to the only Cincinnati—that is, in Ohio?

A. Cincinnati, Ohio.

Q. Now, what is your next important transmission line?

A. Our next line of importance is an 18-inch line leading from what is known as our Spencer gas field, located in Roane and Jackson counties, West Virginia, to and across the Ohio river, near Ravenswood, West Virginia, at which point we measure the gas before crossing the Ohio river, to the Ohio Fuel Supply Company, of Ohio.

Q. What is the size of that line?

A. The line is 18 inches, outside diameter.

Q. And you supply, do you, a number of towns in West Virginia, before you reach the river?

A. We do.

Q. And the Ohio Fuel Supply Company takes this gas, as I understand, at the low water mark on the Ohio side?

A. It does.

Q. And transports it where?

A. To various cities throughout Ohio.

Q. I beg your pardon.

A. To various cities and towns throughout the State of Ohio.

Q. What are the larger cities or towns? Just name one or two of them, as to get the general direction of it.

A. I am not very familiar with the towns.

Q. Well, if you don't know, it is all right. Now, give us your next line. What is this called on your system—one was "A" and the other was "S," and what is this called?

A. That is called line "E."

Q. Now, then, take your next line.

A. We have another line connecting with our line "A," near Kenova, West Virginia, running south to Inez, Kentucky, and ending at Kermit, West Vir-

ginia. This is a 10-inch line, and crosses the state line, or river, near Leach, Kentucky, and Kenova, West Virginia, leading from West Virginia into Boyd county, Kentucky; again crossing the line, the river, between Buchanan and Louisa, Kentucky, crossing the river from Lawrence county, Kentucky, into Wayne county, West Virginia; again crossing the line from Wayne county, West Virginia, near Ft. Gay; leading again into Lawrence county, Kentucky, from Wayne county, West Virginia. This line connects with an 8-inch line and a 6-inch line near Inez, Kentucky, and extends across the river, or state line, into Kermit, Mingo county, West Virginia; then entering our compressor station at Kermit, West Virginia, the gas is compressed and delivered back into our line, our 16-inch C. D. line, known as 'B. M. 22.'

Q. Extending from where?

A. From Kermit, West Virginia, this line B. M. 22 leads to Inez, Kentucky, from the compressor station in Kermit, West Virginia.

Q. Now, the gas that is obtained in this line, as you have described, comes, in part from the Roane county field, from the Wayne county field, and the Kermit field, in West Virginia?

A. Also from the Kanawha field in Clay county.

Q. And the Clay county field and the Chapmanville field or district in West Virginia, and from the Kermit field in Martin county, Kentucky, does it not?

A. It does.

Q. And that gas is all mixed and compressed at your Kermit station in West Virginia.

A. It is.

Q. And sent up as far as Inez, across the river to Inez, in Kentucky?

A. It is.

Q. And there delivered to whom?

A. To the Central Kentucky Natural Gas Company, supplying towns and cities in Central Ken-

tucky and the Louisville Gas and Electric Company, of Louisville, Kentucky.

Q. The Louisville Company supplies gas to Louisville, Kentucky, does it, as well as to stations en route?

A. Its gas is practically all supplied to domestic consumers in the city of Louisville, Kentucky.

Q. How far is the gas transported by the Central Kentucky Company, the longest distance, from Inez?

A. The distance from Inez, Kentucky, to Frankford, Kentucky, is 142 miles.

Q. And how far is it from Inez to Louisville?

A. The distance from Inez, Kentucky, to Louisville, Kentucky—the length of this line is 180 miles.

Q. Now you supply from this same line, do you not, beginning at Kenova, towns on both sides of the river in West Virginia and Kentucky, at different points along the line?

A. We do.

Q. Then you have quite a number of such towns, as shown on the map here?

A. We have.

Q. Now give us your next large transmission line?

A. Our next large transportation line is known as line 'T,' 20 inch O. D. pipe; which line connects with, or has an extension known as our line 'M,' 16-inch O. D. pipe. These two lines were practically built to supply the Hope Natural Gas Company and the Pittsburgh and West Virginia Natural Gas Company, transporting the gas from the Kanawha county gas fields at Buff Lick, and also the gas from Rome and Kanawha counties, near Clendenin.

Q. Now, how long is that line?

A. The line 'M,' consisting of 10, 12 and 16-inch pipe—the larger proportion of it being 16-inch, is 19.2 miles in length.

Q. Now line 'T'?

A. Line 'T,' to which line 'M' connects, is 39.29 miles in length.

Q. About 60 miles then altogether.

A. Yes, sir.



Q. Now you say it sells gas there—it delivers gas to the Hope Natural Gas Company and the Pittsburgh & West Virginia Gas Company. At what points does it make that delivery?

A. At Cedarville Measuring Station, in Gilmer county, West Virginia.

Q. And where does the Hope Natural Gas Company take it?

A. At that point, Cedarville, West Virginia.

Q. And where does it take it?

A. I couldn't tell you just what points it travels. I believe it eventually leads to Hastings Station in Wetzel county.

Q. Do you know where the Pittsburgh & West Virginia Gas Company takes it?

A. The gas is measured to them at the same point in Gilmer county.

Q. To what point do they take it?

A. That gas is eventually delivered to Pittsburgh, Pennsylvania."

The testimony of the witness Wallace on page 367 shows that this company had, in the year 1919, 24,559 domestic consumers in the State of West Virginia, and 11,777 consumers in other states. It also had industrial consumers, both inside and outside the state.

#### THE OHIO FUEL SUPPLY COMPANY.

The Ohio Fuel Supply Company, a gas company operating entirely inside the State of Ohio, purchases West Virginia gas from The United Fuel Gas Company at Ravenswood, which appears upon the map of The United Fuel Gas Company hereinbefore discussed and inserted. The Ohio Fuel Supply Company has a net work of pipe

lines extending over the entire central portion of the State of Ohio, with some branches running farther in all directions. A map of the system of this company was offered at page 974 of the printed record by the witness Wyer as Pennsylvania Exhibit 49 and appears in the printed record at page 1601. A copy of this map is here inserted.

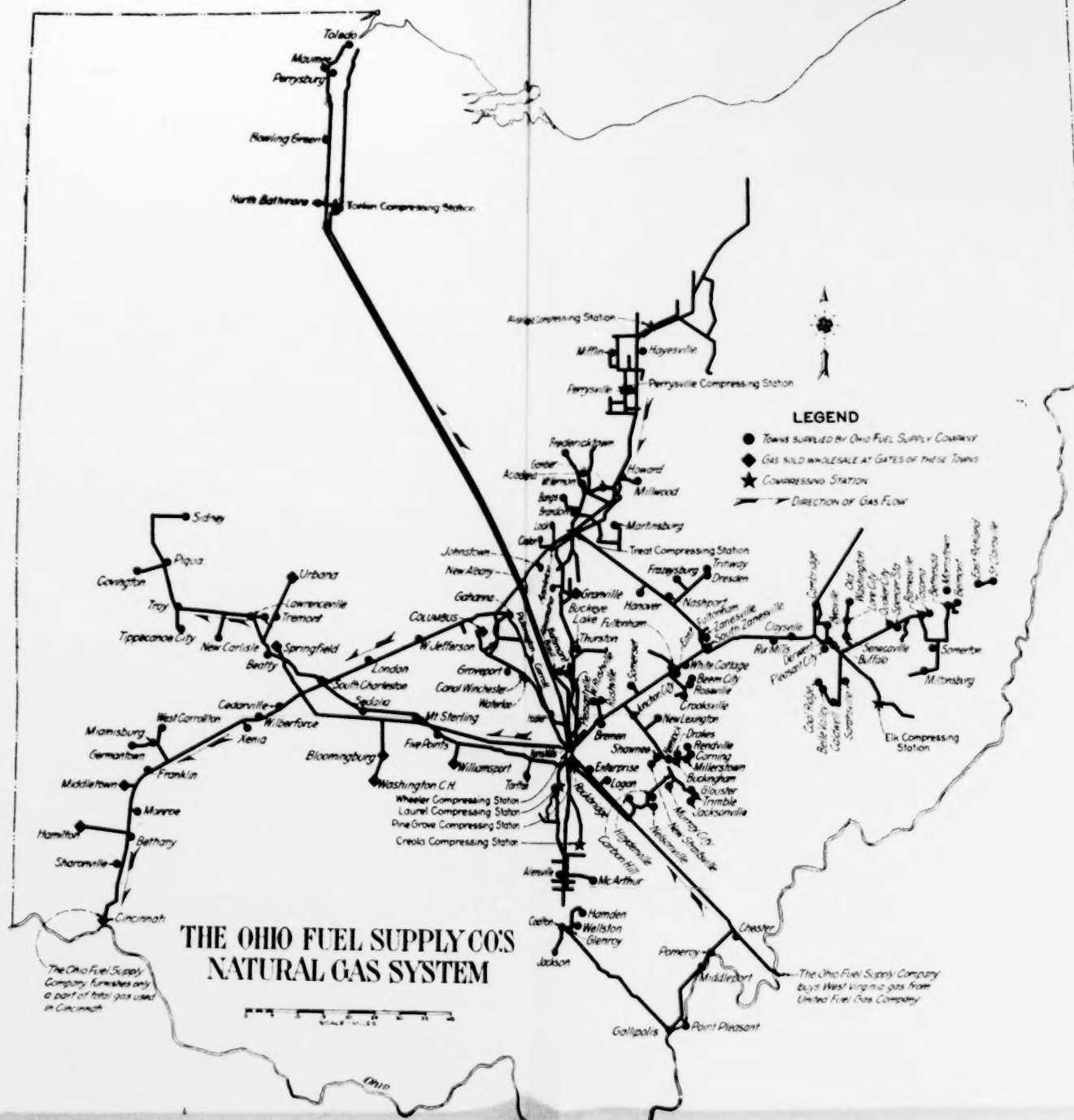


PENNSYLVANIA EXHIBIT 49.

Offered at p. 974 of Printed Record by Witness Wyer.

*Map of the Ohio Fuel Supply Company's System.*

is also replaces Ohio Exhibit 2 and shows the lines of the Northwestern  
Ohio Natural gas Company to Toledo, as described at p 717 of printed  
record by Witness McMahon.





(The main line of The Northwestern Ohio Natural Gas Company, hereinbefore referred to, are also shown on this map, there being two lines extending from a point marked Horn's Mill, in a northwesterly direction to a point in Hancock county, a distance of 121 miles, and thence on to Toledo, a distance of 38 miles. Record, pages 717 and 718.)

The detailed testimony with reference to the system of The Ohio Fuel Supply Company was given by the witness Denning, the vice-president of The Ohio Fuel Supply Company, beginning at page 650 of the printed record.

The two general sources of gas supply of The Ohio Fuel Supply Company are gas produced in Ohio and that produced in West Virginia, the latter by reason of contract relations with The United Fuel Gas Company. (Record, page 656.) That part of its system which carries gas to Cincinnati is the 18-inch line beginning at Homer Station and extending in a southwesterly direction to Cincinnati, approximately 170 miles, built in 1905, and through which flows gas produced in Ohio and that produced in West Virginia. (Denning, 655, 656.) The 8-inch line of The Ohio Fuel Supply Company extending from Wheeler Station southeasterly to the Ohio river and connecting with the 18-inch line of The United Fuel Gas Company was for the express and only purpose of procuring and transporting gas from West Virginia. (Denning, page 665.) The lines of The Northwestern Ohio Natural Gas Company—its transmission system—were built and laid exclusively for the sole and only pur-

pose of obtaining West Virginia gas. (Denning, page 666.)

The witness Denning testified that this company, and all companies, within the knowledge of the witness, are constantly exercising efforts to discover not only new sources of supply, but additional gas within known fields. (Denning, pages 670, 671, 713.)

The gas supplied by The United Fuel Gas Company to The Ohio Fuel Supply Company on the Ohio side of the river is transported to the Wheeler station at Sugar Grove, Ohio, and is there mingled with gas produced in Ohio, and is all supplied to communities in Ohio except a portion which is transported back into West Virginia to supply the municipality of Point Pleasant, where the distributing company, The Point Pleasant Natural Gas Company, is owned by The Ohio Fuel Supply Company. The Ohio Fuel Supply Company supplies directly the 137 cities listed on pages 667, 668 of the record, and also wholesales gas and supplies indirectly, through its subsidiary companies, The Northwestern Ohio Natural Gas Company, and The Point Pleasant Natural Gas Company, the cities of Toledo, Bowling Green, North Baltimore, Maumee and Perrysburg, Ohio, and Point Pleasant, West Virginia. In addition, The Ohio Fuel Supply Company wholesales gas to utilities and municipalities for the purpose of supplying the same to Ohio consumers, as shown by the list on page 669 of the printed record. Altogether it is responsible for the natural gas supply of approximately one million people in Ohio. (Denning, 672.) The number of municipalities, churches, schools, state in-



stitutions and public buildings furnished gas during the year 1919 by this company were:

Municipalities .....	135
Churches .....	130
Schools .....	57
State Institutions .....	43
Public Buildings .....	170

The Ohio Fuel Supply Company has not taken on new towns in Ohio for several years past. [Denning, 691.] It requires all of the gas which it has been able to get from West Virginia, and more, to meet its present obligations. (Denning, 696.)

The United Fuel Gas Company has not been able, during cold weather, to furnish to The Ohio Fuel Supply Company the amount of gas which it has contracted to furnish to that company. (Denning, 696.)

## THE UNION GAS AND ELECTRIC COMPANY.

The Union Gas and Electric Company of Cincinnati is the distributing company that supplies the city of Cincinnati with natural gas. It purchases this gas from The Columbia Gas and Electric Company and The Ohio Fuel Supply Company. (Record, page 454.)

The Columbia Gas and Electric Company owns 253 gas wells, 122 miles of field lines and a considerable acreage, operated and unoperated, in the State of West Virginia. In addition, it has a twenty mile pipe line connecting with the United Fuel Company's lines at Ball's Gap, West Virginia, through which it secures a further supply. All of the natural gas used in the city

of Cincinnati is West Virginia gas, except such portion of the gas furnished by The Ohio Fuel Supply Company as is produced in the State of Ohio, which is a very small proportion of the total gas supply of the city of Cincinnati, and even now in cold weather amounts to almost nothing. (Record, page 459.)

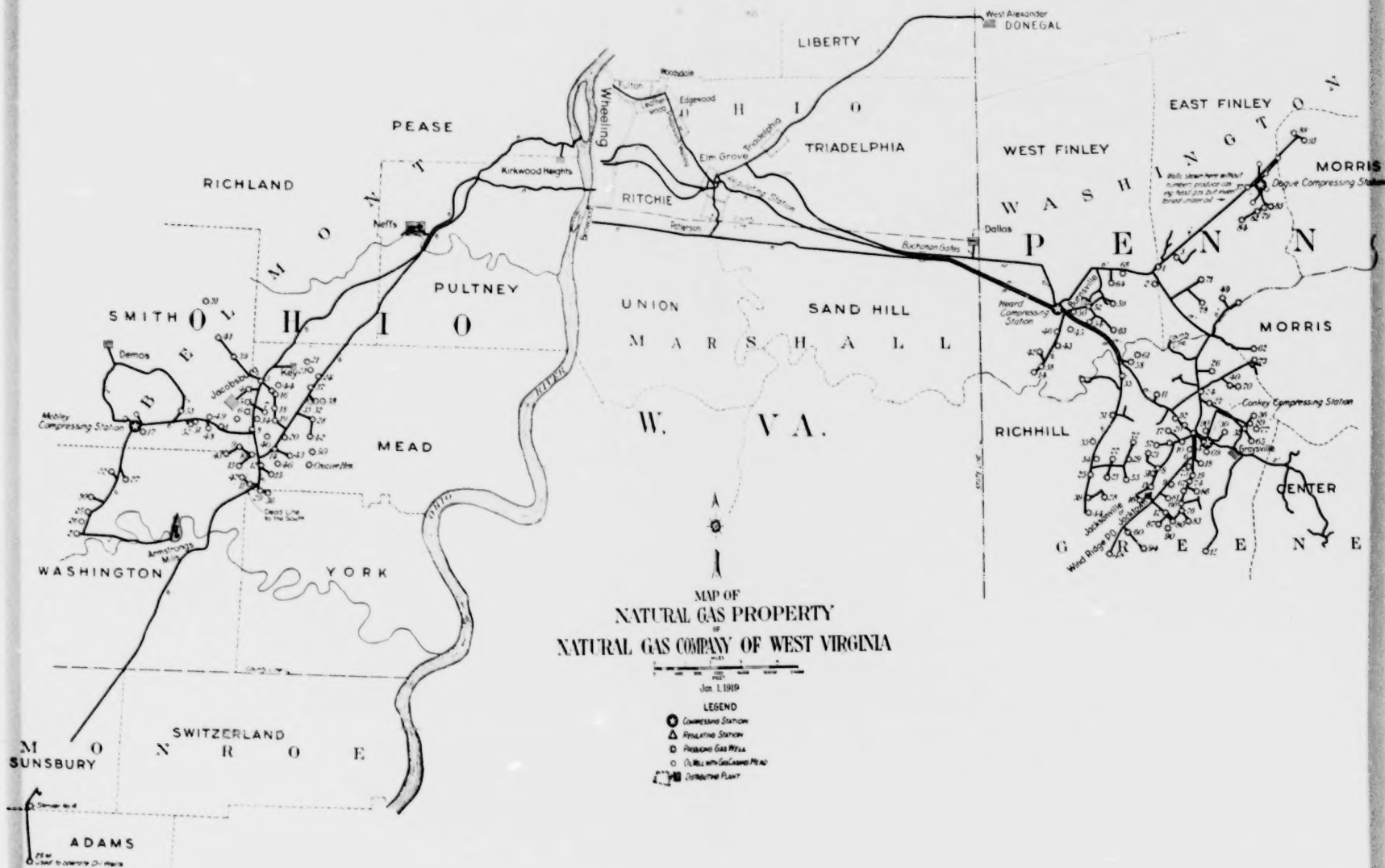
#### THE NATURAL GAS COMPANY OF WEST VIRGINIA.

The Natural Gas Company of West Virginia has gas wells, lines and territory in the States of Ohio, West Virginia and Pennsylvania. The detailed explanation of the affairs of this company appear in the testimony of the witness, Batchelor, at pages 741-747 of the record. A map showing the lines and wells of the southern division of this company was introduced in evidence at page 746 of the printed record by the witness Batchelor, and appears in the record at page 1566, being Pennsylvania Exhibit No. 26, which map is here inserted.

PENNSYLVANIA EXHIBIT 26.

Offered at p. 746 of Printed Record by Witness Batchelor.

*Map Showing Natural Gas Property of Natural Gas Company of  
West Virginia—Southern Division.*





The gas production of this company is all in the States of Pennsylvania and Ohio. It has not and never has had any gas production in West Virginia. (Batchelor, 743.) Yet for the most part, it markets its gas in the State of West Virginia to 14,137 consumers, including Wheeling and Benwood, West Virginia. Of the gas supplied in West Virginia, 37 per cent. is consumed by industrial concerns.

### THERE IS NO MONOPOLY OF THE GAS SUPPLY AND INDUSTRY IN WEST VIRGINIA.

An examination of the evidence with reference to the ownership of the principal gas companies operating in the State of West Virginia, exporting gas from West Virginia shows that ownership to be as follows:

The Hope Natural Gas Company is owned and The Reserve Natural Gas Company is controlled by The Standard Oil Company of New Jersey. (Record, p. 188.) This company also owns The East Ohio Gas Company, operating in Ohio, and The Peoples Natural Gas Company in Pennsylvania. (Record, pp. 325, 424.)

The Pittsburgh and West Virginia Company, The Carnegie Natural Gas Company, The United Fuel Gas Company, The Manufacturers Light and Heat Company and The Fayette County Gas Company are in no way affiliated with the Standard Oil interests. (Record, p. 356.) The stock of The United Fuel Gas Company is owned by The Columbia Gas and Electric Company and The Ohio Fuel Supply Company. (Record, pp. 378-379.) The Carnegie Natural Gas Company is a subsidiary of The

United States Steel Corporation. (Record, p. 172.) The evidence shows that these gas companies have in fact engaged in and do engage in the keenest competition, formerly in finding markets for the gas when there was a surplus, and at the present time in securing gas to supply the already established markets. (Record, pp. 12-13.) Competitive bidding for leases is keen at the present time, even more keen than formerly. (Record, pp. 45, 46, 220, 371, 827.) There is a greater demand for even reasonably good territory now than there ever was before, and there is stronger competition to secure that territory than ever before. (Record, pp. 357, 371.)

There certainly has been strong competition, and we feel that competition is stronger today than it ever was. There is a greater demand for gas territory now than there ever has been, and a greater endeavor by these different gas companies to get it—even reasonably good territory. (Corrin, 357.)

The undisputed testimony, then, and the facts relative to the ownership of the principal gas companies operating in West Virginia, show that the claim of an unlawful combination between these companies is entirely without foundation. Several of the companies are large, and do have large affiliated companies in the other states, to which companies they supply this gas. However, a large combination of capital is required to lay gas lines for hundreds of miles and install the necessary equipment for causing the gas to flow through those lines, in addition to the capital required to hold a sufficient reserve acreage to protect these investments. The size of the

company which undertakes to carry on such an enterprise is hardly a fault, but rather a necessity.

It is not apparent how the rights of the plaintiff state and its citizens with respect to a continuation of the gas supply secured to them by interstate pipe lines and contracts, can be abridged, even if the charge that the gas territory of West Virginia is controlled by seven big companies were true. Even should the seven companies be combined into one, and the one be a sole and complete monopoly, the remedy to prevent an alleged hardship upon West Virginia consumers would not be by an act which expressly discriminates against the consumers residing out of West Virginia and against the plaintiff states as consumers of gas.

The defendant has not even correctly selected the seven large operating gas companies in West Virginia in that it has omitted to name the West Virginia Central Gas Company, one of the group of companies known as the Eastern Oil Company group supplying West Virginia gas to Cumberland and other Maryland cities. The seven companies which defendant has named do not have control of West Virginia gas resources nor are they combined in interest as defendant seeks to imply by grouping them together. There are between 40 and 50 gas utilities supplying West Virginia cities. (Stipulation, pp. 1365-1366.)

Many of the local utilities have a great spread of pipe lines, large areas of undrilled and undeveloped territory, and suitable compressing stations. (Robinson, 1374-1378.)



Operators other than the seven companies hold 43.2% of the developed acreage and 43.1% of the undeveloped acreage and in arriving at these percentages there are many operators whose holdings could not be ascertained. (Robinson, 1390-1391, Pennsylvania Exhibit 54.)

There are no contracts between the seven companies or any of them restricting development, territory, or production, or dividing territory. Such contracts as exist between some of the companies are for the purpose of buying and selling severed gas already produced, made at a time when one company had a surplus production and the other had requirements for the market beyond its then existing production. These contracts are in evidence. Many of them provide for deliveries of gas within West Virginia from which delivery points many West Virginia cities are served as well as cities outside of the state. For example, the contract for sale of gas by The Hope Natural Gas Company to the Manufacturers Light and Heat Company, (Record, p. 1712), provides for delivery at three points within the State of West Virginia from which delivery points the Manufactures Light and Heat Company takes its purchases of gas and transmits the gas to Wheeling, Moundsville, and many West Virginia cities and also its markets in Pennsylvania and Ohio.

There are no contracts whereby the Carnegie Natural Gas Company sells to or buys from any of the other seven companies, but it does sell gas to both the local company serving Morgantown and the local company serving Fairmont, West Virginia. (Record, p. . . . .)

There are no contracts whereby the Philadelphia Company group sells to or buys from the Standard Oil Company group or sells to or buys from the Manufacturers Light and Heat Company.

The Reserve Gas Company has no contracts with any of the other six, excepting the Hope Natural Gas Company.

Omission:--See Pages 205 et seq.

### NATURAL GAS SERVICE IS IMPRACTICABLE UNLESS THE PEAK LOAD OF THE DOMESTIC DEMAND CAN BE MET.

All the evidence in the case is to the effect that the purpose with which the great systems of production, transportation and distribution of natural gas were established was the furnishing of gas to domestic consumers. The contracts in evidence provide for the furnishing of natural gas by the companies producing it in West Virginia to the companies distributing it in the plaintiff states, for the purposes of domestic consumption. The physical situation and the practical operation of the plants proves this, the lines being laid to centers of population, and the gas being distributed to thousands of domestic consumers instead of to a few large industrial plants. The demand for gas for domestic consumption, that is, for cooking, lighting, heating, and hot-water heating, exists throughout the year, but fluctuates greatly in amount during the different seasons. There is during the summer months a demand, though comparatively small, for gas for cooking, lighting and hot-water heating. During the colder weather,

when the heating demand is added, a peak load condition is created. We quote the description of peak load conditions as described by two witnesses, (1) Sullivan—page 222:

"A. The peak load is the demand created by the increased quantity of gas required by consumers on cold days and at certain hours of the day. In cold weather, on an extremely cold day, the demand of the average domestic consumer will be from four to five times greater than it is on the normal days. Then there are certain hours in the day when the demand is very considerably increased above the normal demand. This creates a very increased demand, which probably at times is as high as 15 to 20 times more than the regular average daily load."

And (2) Denning—page 711:

"Using the term 'peak load' in this sense, meaning the greatest amount of gas which the domestic consumer requires or thinks he requires to meet his needs at the time, during very extremely cold weather; in other words, the greatest amount of gas that will be required of you at any particular given time. Now the seasonal peak load will always reach us during the cold weather periods. \* \* \* There will come a sudden drop in temperature and the mercury will go down below zero. At once everyone begins to turn on his gas, getting cold, and the demand becomes a peak very much greater and the quantity of gas required is at once increased; that is a seasonal demand, a seasonal peak load which always reaches us during the winter; it may last only a day or two at a time; it may last for two or three weeks, depending entirely on weather conditions, which we cannot forecast. There is a daily peak load, even in the summer time, running usually during the breakfast hour in the morning, as a rule, but at noon there comes another, due to the preparation of the noon meal, not being so great. The evening meal is what is called the supper peak." \* \* etc.

A very excellent description of peak load requirements and conditions and the operating conditions that must exist in order to meet peak load requirements, is given by witness Quay at Record, pages 56-57.

If the transportation and distribution systems are to continue to be of value, it is necessary that the gas company be able to serve all the consumers upon whose patronage they are primarily dependent, namely, the hundreds of thousands of domestic consumers, throughout the whole year. If the service is intermittent, it is worthless, and will, necessarily, be discontinued. The testimony of the witness Denning at page 677 of the record, is as follows:

"One of the great values of natural gas service, and its prime requisite, is its continuity of service; the ability of the consumer to step into his house any hour of the day for the 365 days of the year and, by simply turning a little stop-cock and lighting the gas, have an instantaneous service at his command. A problem of the gas company has always been to supply that instantaneous demand and maintain that continuity of service. We have reached a point where, as I said yesterday, during extreme cold weather we are unable to meet the entire demand of the consumer. To have any considerable or substantial quantity of gas diverted or eliminated from our West Virginia supply means to so disarrange and disorganize, and I may say discontinue the service to the consumer, as to practically render it useless to the domestic consumer."

The producing, transporting and distributing gas companies, as well as the governmental authorities, have recognized the fact that domestic consumers must have

service at all seasons, and have made every effort to insure an ability to render continuous service to the patrons upon whom they are primarily dependent, even during the periods of maximum demand. This has been accomplished by the original contracts between the companies, by administrative orders of the Public Utilities Commission of Ohio, and by reasonable rules and practices adopted and enforced by the gas companies themselves. We here make specific reference to the provisions of the contracts between the gas producing companies and the distributing companies, which contracts provide for the preference to the domestic consumers.

The contract between The Hope Natural Gas Company and The East Ohio Gas Company, Pennsylvania Exhibit 19, appearing at page 1544 of the Record, provides for the furnishing by The Hope Company to The East Ohio Company of all the gas requisite for the supply of the domestic consumers of The East Ohio Gas Company and provides that any contracts made by The East Ohio Company for the supply of gas for manufacturing purposes must be made with the consent and approval of the Hope Company. (Record, p. 1545.) This contract further specifically provides for a full supply of gas to the domestic consumers of the Hope Company in West Virginia, before any gas is deliverable under the contract even for domestic consumption outside the State of West Virginia. (Record, pp. 1546, 1547.)

The contract between The Hope Natural Gas Company and The Peoples Natural Gas Company, Pennsylvania Exhibit 17, Record, p. 1524, contains similar provisions. (Record, pp. 1525, 1533, 1534.)

The contract between The Hope Natural Gas Company and The Northwestern Ohio Natural Gas Company, Pennsylvania Exhibit 16, Record, p. 1509, at 1510, provides that the gas supply furnished under this contract is to be used for domestic consumers.

The contract between The Mountain State Gas Company and The River Gas Company, Pennsylvania Exhibit 20, Record, page 1554, provides for the sale of all the natural gas required by The River Gas Company for the supply of all the consumers of that company paying domestic rates, and for such further amounts as may be required by The River Gas Company to fulfill contracts for the supply of gas for manufacturing purposes, such contracts to be made with the consent of The Mountain State Gas Company. **The latter company expressly reserves the right to prefer its domestic consumers in West Virginia.** (Record, p. 1556.)

The contract between The Hope Natural Gas Company and The Fayette County Gas Company, Pennsylvania Exhibit 21, Record, p. 1560, provides for the supply of gas for consumers paying domestic rates. It further provides for a preference to the domestic consumers connected with its own system in West Virginia and those connected with systems in West Virginia, which it is supplying with gas. (Record, p. 1565.)

The contract between The United Fuel Gas Company and The Ohio Fuel Supply Company, West Virginia Exhibit 38, (Record, p. 1761) measures the amount which The Ohio Fuel Supply Company is entitled to receive by the demands of its domestic consumers. (Record, p.

1761.) It reserves to The United Fuel Gas Company "the right to supply all of its domestic consumers in West Virginia and the domestic consumers in West Virginia of all companies whose capital stock or a majority thereof is owned by The United States Fuel Gas Company. (Record, p. 1764.)

The Public Utilities Commission of Ohio issues from year to year what it terms its administrative orders to the natural gas companies of Ohio, classifying the consumers, and ordering that in case of any shortage that would render the companies unable to meet the needs of all classes of consumers, the gas is to be shut off from all classes other than domestic, to the end that domestic consumers may have the first and prior right to the gas. (Rec., p. 578.) The Commission issues from time to time during periods of cold weather its so-called emergency orders, pursuant to Section 614-32, General Code of Ohio, (Rec., p. 681) limiting, where necessary, domestic consumers to a maximum number of cubic feet of gas per day. (Rec., pages 578, 681.) Sufficient of these orders to show their nature and extent were offered by the witness, Mr. Denning, at page 681 of the printed record, and are shown in the record at pages 1695, 1706, being Ohio Exhibits Nos. 3-9, inclusive. The text of the general administrative order No. 34, issued May, 1918, which is re-issued annually by the Commission, being Ohio Exhibit 17 (at page 1703 of the Record) is as follows:

"Administrative Order No. 34.

The Public Utilities Commission, having under consideration the probable inability of natural gas companies to furnish an adequate supply to all their

consumers during the coming winter, and the necessity of formulating more definite rules for the guidance of such public utility companies in disconnecting industrial and other consumers from the service, when necessary, during an emergency, to conserve the supply for domestic consumers, and the order in which disconnection should be made, as well as the order in which the service should be restored when the emergency is passed, hereby adopts the following rules and regulations, to wit:

1. That for the purpose of disconnecting or curtailing service to consumers during an emergency, all consumers of natural gas are divided into two general classes, namely: Domestic Consumers and Industrial Consumers.

2. That domestic consumers, for such purposes, include the users of natural gas for heating, lighting and cooking in private homes, boarding houses and apartment houses; and users of natural gas for lighting and cooking only, in hotels, restaurants, bakeries, eating places, club houses, hospitals and other charitable institutions.

3. That all other consumers shall be designated as "Industrial Consumers;" but for the purpose of disconnecting or curtailment during an emergency, the following subdivisions of industrial consumers may be made, in cases where there is more than a sufficient supply of gas for domestic consumers as herein specified, but not a sufficient supply for all industrial consumers:

- A. Users who are not included in the domestic consumer's class, as herein specified, but who are engaged in preparing or preserving foodstuffs, or food producing plants, for such purposes only.

- B. Industries directly engaged in manufacturing or producing war materials, for such purposes only; and users of gas in gas engines.

- C. All other industrial consumers.



When there is not sufficient gas for all industrial consumers, as herein defined, the surplus shall be furnished to industrials in the order above named.

4. This classification is subject to the following exceptions: Where natural gas is being used in limited quantities for scientific, experimental or mechanical purposes, and where other means of producing light and heat for such purposes cannot be reasonably substituted, an amount essential to such use, but not to exceed five thousand (5000) cubic feet per month to each consumer so engaged may be used for such purposes only, and as if they were included in the class of domestic consumers herein specified.

5. If, after disconnecting all industrial consumers, there is not a sufficient supply of gas for the domestic consumers, then all boilers and furnaces not provided with gas fixtures and appliances primarily designed for burning natural gas as a fuel shall be disconnected; and if it becomes necessary to further restrict the use of gas to meet the emergency, domestic consumers may be limited to the use of thirty-five thousand (35,000) cubic feet per month, in one building, or for one family.

6. A copy of these regulations shall be furnished by each natural gas company to its consumers not later than June 15, 1918.

7. Consumers who do not promptly disconnect or curtail, in accordance with these rules and regulations, when notified by the utility that it is necessary so to do, shall, upon discovery, be wholly disconnected from the service until the emergency is passed."

What is accomplished by virtue of these various orders of the Public Utilities Commission was, prior thereto, voluntarily practiced by the gas companies. (Rec., p. 680.) That these orders are carried out is shown by the record: The East Ohio Gas Company,

which supplies Cleveland, Akron, Canton, Youngstown and numerous other municipalities in Ohio, confines its gas service strictly to domestic consumption during the cold weather, or winter period. (Rec., p. 578.) The Ohio Fuel Company limits its supply of gas to domestic consumers at all times when the supplying of gas to other consumers would impair its supply to domestic consumers. (Rec., p. 680.) The Logan Natural Gas & Fuel Company, and all of the other subsidiaries of the Union Natural Gas Corporation, supplying more than fifty municipalities in Ohio, furnish no industrial gas during the six months winter period. (Rec., pages 781, 793.) The North Western Ohio Natural Gas Company furnishes gas for industrial purposes during the summer months only. During the year 1919, less than 6% of the gas distributed by this company was to consumers other than domestic. (Rec., pages 721, 722.) The companies held by The Pure Oil Company which supply Columbus, Springfield and Dayton, Ohio, cut off their industrial consumers in the winter season. (Rec., p. 634.) The Union Gas & Electric Company, distributing gas in Cincinnati and suburbs, cuts off all industrial consumers during the cold weather, its own power plant being first. (Rec., page 458.)

The record discloses sufficient facts to warrant the statement that, in the very near future, Ohio will be on a strictly domestic basis of gas consumption, thus conserving this exceptional fuel for the use that will render the greatest service to the public. Even now, companies supplying gas in Ohio and Pennsylvania for industrial purposes, do so only under contracts which give the com-

pany the right to shut off this supply immediately when it becomes necessary to do so in order to take care of the domestic consumers. (Rec., pages 436, 328, 458, 603, 939.)

The provision of the statute which would require an adequate supply to consumers within the State of West Virginia **for all purposes**, whether domestic, industrial, or otherwise, would immediately destroy what has been accomplished by the contracts, the administrative orders and the reasonable rules and practices of the gas companies hereinbefore set forth, and would render it impossible for the gas distributing companies to meet their peak-load demands and render continuous service to domestic consumers. The evidence shows that intermittent service is neither practicable nor possible, and that the utility value of these systems would be destroyed if they were reduced to that condition. (Rec., pages 214, 326, 368, 428, 677, 725.)

#### VOLUME OF GAS EXPORTED FROM WEST VIRGINIA.

The maps showing the lines of the principal gas companies receiving gas exported from the State of West Virginia, which maps have been inserted heretofore in this statement of facts, show the vast amount of that exportation. A single map was prepared by the witness Wyer and offered at page 914 of the record as Pennsylvania Exhibit 46, which appears at page 1598 of the record, showing the principal towns outside of West Virginia depending upon West Virginia for natural gas

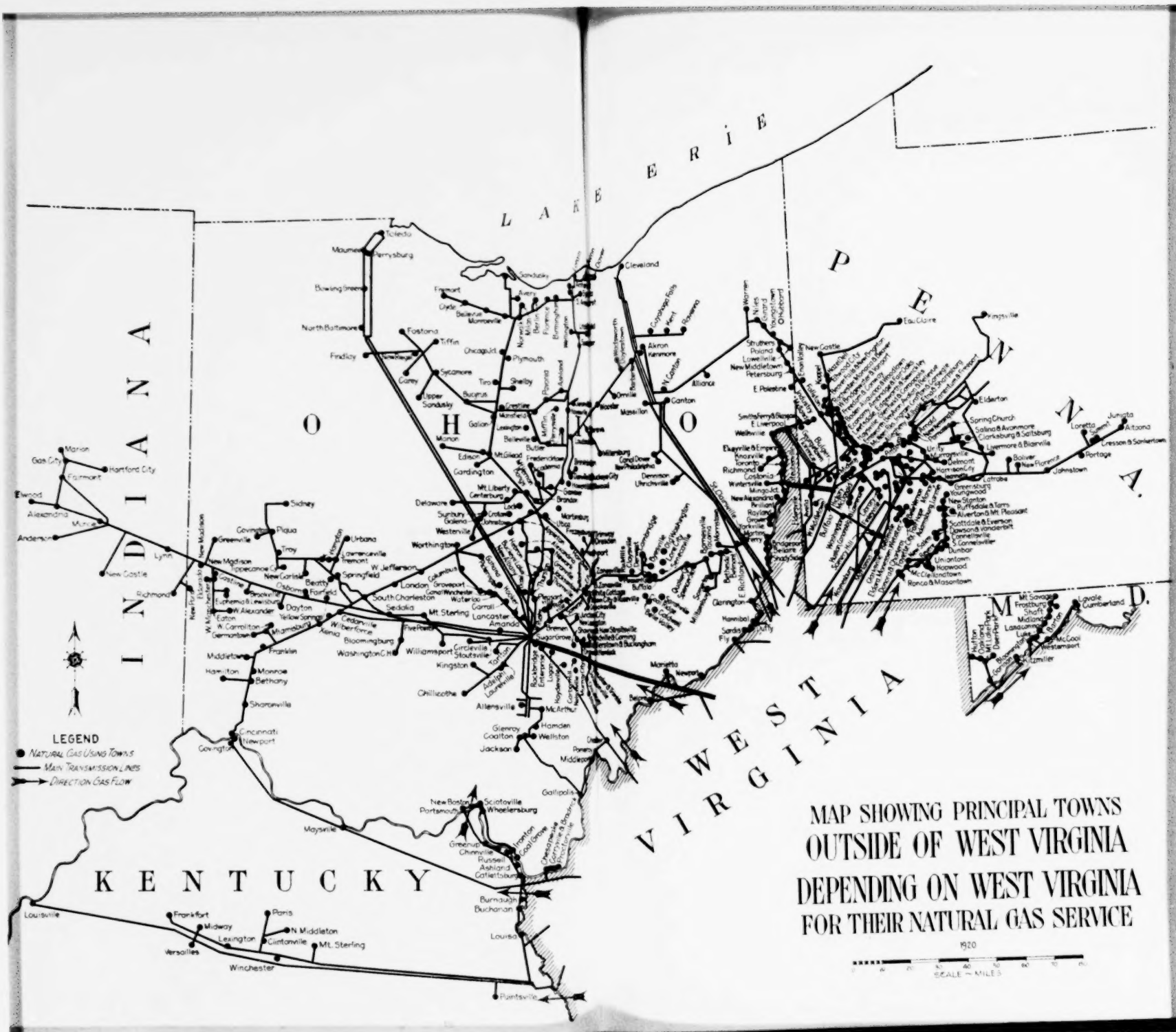
service. We insert here a copy of this map for the purpose of showing graphically the large extent to which communities in Ohio and Pennsylvania, as well as in the other states of Maryland, Indiana and Kentucky, are dependent for their gas supply upon the continued right to receive gas exported in interstate commerce from the State of West Virginia.



PENNSYLVANIA EXHIBIT 46.

Offered at p. 904 of Printed Record by Witness Wyer.

*Map Showing Principal Towns Outside of West Virginia Depending on West Virginia for Natural Gas Service.*







The testimony of the witness Wyer (at page 895) shows in figures the amount of this exportation. The production of natural gas in West Virginia was at its greatest in 1916. During that year approximately 193 billion cubic feet of gas or sixty-four per cent. of the total production, was exported from the state. In the year 1919 approximately 138 billion cubic feet of gas was exported from the state. (Record, pages 895, 896.) Pennsylvania Exhibit 41, offered at page 895 of the record by the witness Wyer, shows the volume of gas exported from West Virginia in billion cubic feet, and the percentage of the state's total production exported for the years from 1906-1919, inclusive. We insert here a copy of this exhibit.



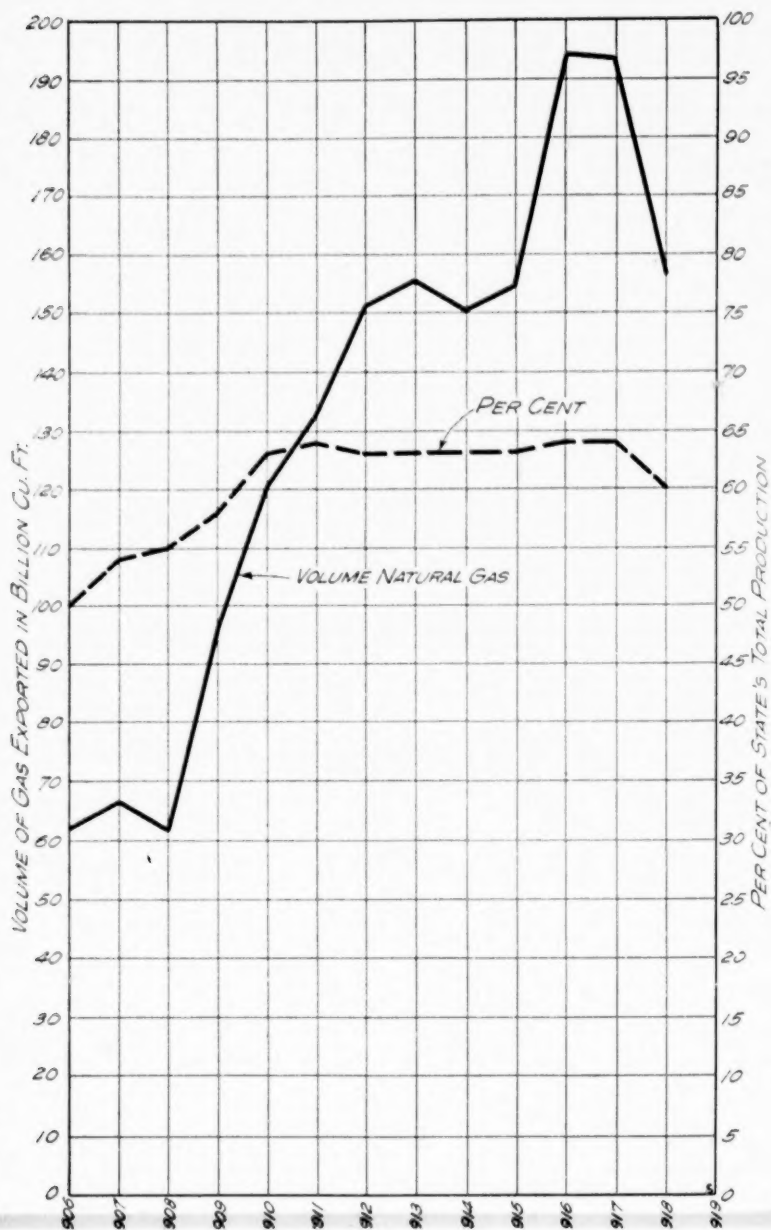
PENNSYLVANIA EXHIBIT 41.

Offered at p. 895 of Printed Record by Witness Wyer.

*Volume of Natural Gas and Per cent of State's Total Production  
Exported from West Virginia.*

# VOLUME NATURAL GAS AND PER CENT OF STATE'S TOTAL PRODUCTION EXPORTED FROM WEST VIRGINIA

Based on data compiled by the United States Geological Survey.



The exhibit shows that both the volume of gas exported and the per cent. of the state's total production exported increased from the year 1906 to the year 1911, from which time until the year 1916 the volume of gas exported increased, although the per cent. of the state's total production remained practically static; that since the year 1916 both the volume of gas exported and the per cent. of the state's total production exported have gradually decreased.

The testimony of the witness Robinson, and the table prepared by him, being Pennsylvania Exhibit No. 50, offered at page 1378 and appearing on pages 1603, 1604 and 1605 of the printed record, are to the same effect. They show that the percentage of the total production of gas in West Virginia which is exported from the state, was, for the year 1919, 64 per cent.

The percentage of the gas consumed in other states, which is imported into those states from West Virginia is shown by the testimony of the witness Wyer at pages 907, 908 of the Record. It is as follows:

Maryland .....	100 per cent.
Pennsylvania .....	35 per cent.
Ohio .....	50 per cent.
Indiana .....	80 per cent.
Kentucky .....	90 per cent.

About 650 towns in these five states depend entirely upon West Virginia gas. (Record, page 907.) Three hundred of these municipalities are in Ohio, three hundred in Pennsylvania, twenty-five in Kentucky, fifteen in Indiana and fourteen in Maryland. (Record, page 908.) The number of domestic consumers dependent

entirely upon West Virginia gas for their natural gas service, and the number of people so dependent, is as follows:

Ohio .....	725,000 consumers	3,625,000 people
Pennsylvania .....	300,000      “	1,500,000      “
Kentucky .....	75,000      “	375,000      “
Indiana .....	15,000      “	75,000      “
Maryland .....	10,000      “	50,000      “

### IMPROPER USE OF GAS IN WEST VIRGINIA.

The policy of the State of Ohio and of the gas companies distributing gas in that state, of giving the preference at all times to domestic consumers, has been shown. There is much evidence to the effect that gas is being wastefully used in West Virginia, and that it is being extensively and grossly used in industries, although the use therein necessarily accentuates the shortage of gas for the domestic consumers in West Virginia and other states. The testimony of the witness Wyer at page 101 shows that a large saving of gas could be effected by the correction of improper burning equipment, both in industries and by the domestic consumers. (Record, pages 901, 902.) The practice of domestic consumers of neglecting to turn off the gas in mild weather and thereby grossly wasting it, is shown by the testimony of the witness Wyer. (Record, page 901.)

These observations are fully borne out by the statistics in the testimony of the witness Wallace (page 368), showing that the average domestic consumer in Charleston, West Virginia, in the year 1919, used more than

twice as much as the average domestic consumer in the city of Cincinnati, Ohio. The charts prepared by the witness Wyer, Pennsylvania Exhibits 42, 43, 44 and 45, appearing at pages 1594-1597 of the printed record, hereinbefore inserted, show also that the average consumption is much greater in West Virginia than in Ohio or Pennsylvania.

**One of the grossest misuses of natural gas is in the carbon black industry.** A considerable proportion of the gas produced in West Virginia is used in that state in the manufacture of carbon black. We insert here the testimony of two witnesses with reference to that condition.

The witness Wallace (Record, page 369), says that the carbon black industry is,

"An industry in which we all know all the heat units and valuable substance in the gas is absolutely wasted."

"Q. Do you know whether or not there are any number of such carbon black plants in the State of West Virginia and if you do, tell us how many?"

A. I can't give you the exact number from memory. I can furnish that for the record, if you want it. About 9 or 10 per cent. of the state's production is misused in carbon black manufacture." (Wyer, p. 903).

The soundness of the Ohio policy restricting the use of natural gas to domestic consumers, when the supply is inadequate, and the unsoundness of the policy of permitting this valuable fuel to be used in such wasteful processes as in the manufacture of carbon black, is well

shown by the testimony of the witness, Daly, at page 586 of the record. We here quote his language:

"Q. I wish you would state briefly the advantages, if any, of natural gas for domestic or other purposes, as compared with coal or other fuels?

A. The principal advantage, of course, is in its low cost, as compared with other gaseous fuel, its convenience, its cleanliness, and its advantage, when an adequate supply can be given, to the health of the community, by the ability to keep an even temperature at all times. It is a commodity that might be described as a luxury within the reach of the poor as well as the rich, and has probably contributed more to the comfort of the laboring classes and people than contributed to the comfort of the people. It has also saved a great deal of drudgery in that way, and has contributed to the comfort of the people. It has also been a great contributory in the way of taxation to the communities. Not only in that way has it saved the community, but in the saving to cities of a large amount of money in the gathering and disposing of ash content. In the city of Cleveland alone, in the year 1917, the East Ohio Gas Company displaced approximately thirteen hundred thousand tons of coal.

\* \* \* Then we have charitable institutions and hospitals, where it is almost a necessity. They find it very difficult to get along without some fuel of that kind, and in the smaller communities, the cutting off of natural gas would mean that they would be deprived of all gaseous fuel, for the reason that they are not large enough to maintain an artificial gas plant. Even though the company could furnish gas, the cost would be very excessive in comparison with natural gas, and it would be unthinkable to tax the people to the extent necessary to use artificial gas for heating purposes, although they might afford the luxury of it for cooking and water heating."



On this subject the witness, Denning, (at page 677 of the record), testified as follows:

"Natural gas is the best and most economic and most convenient fuel for all general purposes that has ever been discovered. Its B. T. U. content of heat efficiency is generally from 100 to 150 per cent. more than that of any manufactured gas or any solid fuel. For those reasons and due to the practically unlimited supply in the past, the domestic consumer throughout Ohio, to the number of somewhere between four millions and five millions, have grown to practically depend upon the use of natural gas for all purposes of a general household nature, cooking, in a large measure for lighting, and in a very large measure for heating, particularly for dwellings."

#### EXTENT OF PROPERTY RIGHTS WHICH WOULD BE AFFECTED BY THE ENFORCEMENT OF THIS STATUTE.

The maps hereinbefore inserted showing the pipe line systems of the various natural gas companies engaged in transporting gas from West Virginia to other states and in transporting gas in and through those other states to the ultimate consumer, show graphically that the property the value of which would be destroyed by the shutting off of the gas now carried by these lines, would be enormous. The equipment of consumers upon all of the lines shown by these maps, would be rendered largely useless, and this would add another large sum to the total of destroyed property values. The testimony of the witness, Wyer, (pages 905 and 906), is to the effect that the property value of gas companies that would be affected by the enforcement of the law in question would

be at least two hundred million dollars. The same witness testified that the readjustment of the appliances and houses of consumers for the use of other fuel would be a loss of at least one hundred dollars on the average for each consumer affected, and this would make an aggregate loss of at least one hundred and twelve million dollars. The testimony of the witness, Daly, (page 588), is that the result of the enforcement of this act would be the practical financial wreckage of The East Ohio Gas Company. It would render the transportation system useless and destroy its value, except its salvage value. The loss would be approximately twenty million dollars.

The testimony of the witness, Denning, (record, page 673), is to the effect that much of the property of The Ohio Fuel Supply Company would be rendered useless by the operation of this act.

The testimony of the witness, Quay, (record, page 47), Corrin (record, page 326), Wallace (record, page 368), Tonkin, (record, page 428), Angle, (record, page 555), McMahon, (record, page 725), Whitecomb, (record, pages 782-783), Anderson, (record, page 828), Wyer, (record, page 909), is to the effect that the service of these gas companies to their consumers would be demoralized by the operation of the act. The deterioration and loss in value of property which would necessarily follow such a demoralization of service is plain.

# WEST VIRGINIA WOULD TAKE SUBSTANTIALLY ALL THE GAS UNDER THE ACT IN QUESTION.

The testimony shows that under the operation of the act, practically the entire supply of gas produced in the State of West Virginia would be, if not immediately, then at a very early date, required for consumers inside the State of West Virginia. We here insert verbatim extracts of the testimony of the complainant's witnesses upon this point:

Quay (The Manufacturers Light & Heat Company, record, page 44):

"A. If we were called upon to supply natural gas to meet all the requirements of the gas which they may desire to use, in all of the industrial plants, manufacturing companies, in West Virginia, it would require between 25 and 33,000,000 cubic feet per day.

Q. As I understand your answer, that applies only to those industrial plants that are connected with your own lines?

A. Yes."

Wallace, (The United Fuel Gas Company, record, page 369):

"I feel that in the course of a year or year and a half, the gas would be practically all sold in the State of West Virginia for manufacturing purposes." \* \* \*

Sullivan, (The Hope Natural Gas Co., record, page 214):

"We have attempted to make an estimate of the increased amount which consumers connected to

our lines and closely tributary thereto, would require to take care of their business, if they were using natural gas for all purposes. And we estimate that that would be in the neighborhood of from sixty to seventy-five million cubic feet per day." \* \* \*

Anderson, (record, pages 824, 825):

"Q. Have you made any computation and estimates of the quantity of gas which the industrial plants in West Virginia would take per year, if they could get a full and continuous supply?

A. I have made two such estimates, based upon the reports of the maximum monthly sales in any one month to domestic and industrial consumers of the twelve largest gas utilities doing business in West Virginia, which reports were made to me in writing by letter. The first show the increased demand per annum in excess of the present sales which the industrial consumers would make upon the utilities by reason of the operation of the act in question amounting to 98,628,380,000 cubic feet; second, showing the increased sales per annum of gas which would be made to industrial consumers under the operation of said act, amounting to 55,017,359,000 cubic feet.

Q. Have you any other estimates of the increased industrial use of gas per annum within the State of West Virginia, by reason of the operation of the act now in controversy?

A. I have made an estimate of such increased use of gas in West Virginia, based upon the curtailment of the supply of gas to industrial consumers, by reason of the increased domestic consumers' demand during the winter months, based upon the actual monthly industrial sales of the nine largest gas utilities operating in the State of West Virginia, Pennsylvania, Ohio and Kentucky.

Q. What amount of increased use of gas per annum does this computation show?

A. It shows 32,959,471,000 cubic feet.

Q. Does this purport to show the entire increase in the industrial demand, which will occur under the operation of the act?

A. It does not; on the contrary, it is believed to be much less than the actual demand would prove to be."

There are many natural gas utilities in West Virginia, (stipulation, pp. 1365-1366; Robinson, 1374-5-6-7-8), supplying the towns and cities of that state, and it is chiefly from industrial concerns in a few of these that the loudest complaints about shortage occur. The glass companies of Morgantown, Fairmont and Clarksburg were largely responsible for the passage of the act, in a self-centered demand that insists on gas for their glass pots throughout the winter, though the supply for their use shall be taken from the homes of Pennsylvania and Ohio families.

The local companies supplying Morgantown, Fairmont and Clarksburg had an inadequate supply from their local wells, though both companies have large areas of undrilled leaseholds, extensive pipe line systems and compressing stations. (Robinson, 1375; Cunningham, 1219). The unique scheme, therefore, was evolved and embodied in the act, **something entirely new in utility regulation** or policy, whereby the local companies should have the right to demand that the interstate companies shall not only take care of their own West Virginia patrons, but shall make good the deficiency upon the lines of any other gas utility before gas may go out of the state. (Cunningham, 1230).

Fairmont and Morgantown also made application to the Public Service Commission of West Virginia to com-

pel the interstate companies to sell to the local companies. (Robinson, 1399).

That the statute in question here had its inception in 1917 in the demand for gas from the industries of West Virginia also appears from the testimony of Governor Cornwell, who testifies, (record, page 1194), that "the matter was first brought to my attention by Mr. Steptoe, who represented manufacturers and other gas consumers at Clarksburg in the northern part of the state." The governor refused, he testifies, (record, page 1195), "to put a provision in the call for the special session in 1917 to deal with this question, for several reasons, but I did lay the matter before the legislature, or called it to the attention of the legislature at the regular biennial session in 1919."

From the paragraph, relating to this subject, in the governor's message to the 1919 session of the West Virginia legislature, we quote, in part, as follows:

"With the approach of the last winter and the early cold weather there was an acute gas shortage in the central and northern section of the state, **especially for manufacturing purposes**, which led to a demand of me by gas consumers for a special session of the legislature to enact a measure under which the gas companies could be compelled to furnish an adequate supply of gas to West Virginia consumers.

\* \* \* \* \*

I acceded to that request, not only because of the importance of the particular questions therein involved, but because I felt that the graver and more far-reaching question of the powers of the legislature itself, as well as the general regulatory powers of the Public Service Commission were likewise in-

volved, and that they should be settled by the Commission, and if need be by the courts of the land, in order that we might know, once and for all, how far the legislature has gone or how far it can properly go in regulating public service corporations through the Public Service Commission." (Record, page 1196).

In addition to these industries which are using gas from the lines of local utilities but want an additional supply during the peak load time, as well as at all other times, there are many other industries which are not dependent altogether on gas, but are using coal and coke; these constitute an enormous threat against the gas supply in their locality should this act be upheld. For instance, the Weirton Steel Company, Weirton, West Virginia; Wheeling Steel and Iron Company, Wheeling, West Virginia; LaBella Iron Works, Wheeling; Whitaker Glass Company, Wheeling; Follansbee Bros., Wellsburg, West Virginia; Fostoria Glass Company, Moundsville, West Virginia; United States Stamping Company, Moundsville, West Virginia; Homer Laughlin China Company at Newell, West Virginia; Smith and Taylor Company, Chester, West Virginia, are some of these plants which would avail themselves of the benefit of the act and would demand from 25 million to 33 million cubic feet per day. (Quay, 44.) And a large number of other similar plants near the lines of other interstate companies in West Virginia. (Quay, 45.)

Even though, under the act in question, a substantial amount of gas would remain for exportation to other states during the season of minimum demand, yet the

evidence is plain that, during the winter period, the amount would be so small as to render the service insufficient, dangerous and intolerable, and the value of the service and of the property devoted to it would be destroyed as completely as if no gas at all were available for exportation. (Record, pp. 214, 326, 368, 428, 677, 725).

THE TESTIMONY SHOWS THAT THE EFFECT  
OF THE ENFORCEMENT OF THE STATUTE IN  
QUESTION WOULD BE AS ALLEGED IN THE  
BILL OF COMPLAINT OF THE STATE OF OHIO

The undisputed testimony of the witnesses upon the question of the effect of the act of West Virginia completely supports the allegations made in the bill of complaint of the State of Ohio with reference to that fact. We insert herein the verbatim testimony of the managers of the various companies transporting gas from West Virginia, and distributing such gas in other states:

Quay, (The Manufacturers Light and Heat Company, record, page 47:

"If my company was compelled to furnish gas in an amount equal to the possible requirements of all of our customers, connected to our lines in the State of West Virginia—and that would apply to all other companies in the state as well—that it would practically demoralize our business in the States of Pennsylvania and Ohio."



Sullivan, (The Hope Natural Gas Company), record, page 214:

"If the provisions of this statute were put into effect it would result in such a demoralization of the business as to make it impossible for us to fulfill our obligations under the contracts which we have made with other companies for a supply of gas outside of the State of West Virginia. It would also have the effect of making the service that we could render to those companies so unsatisfactory to their consumers that they would necessarily have to adopt some other means of providing heat in their homes.  
\* \* \*

Corrin, (The Hope Natural Gas Company The Reserve Gas Company, The Connecting Gas Company, The River Gas Company), record, page 326:

"First, it would be very dangerous. I do not see how it would be possible to operate any gas system of lines if you could not determine the amount of gas that was going to go through those lines and have some person or city, or otherwise, take gas off of the line before it reached your consumers. In addition, you could not retain any of your consumers yourself, because the service that would be rendered would be uncertain and undependable; and, in fact, I don't believe that it would be practicable to maintain a gas company if that condition existed."

Wallace, (The United Fuel Gas Company), record, p. 368:

"I feel that in a very short time, in cold weather especially, we would have no gas to transport out of the state, and for that reason I do not believe domestic consumers and other people would care to be connected to our lines, if they could only receive a supply of gas during the summer season, and in the winter time, when they absolutely needed the gas

for heating and lighting and comfort, to have the supply discontinued. \* \* \*

Tonkin, (Peoples Natural Gas Company), record, page 428:

"Well, the result would probably be that on extremely cold days there would be very little, if any, gas come north through the lines connecting with the Hope Company. It would create a situation that would leave us practically without gas, and what little gas we would have left would be scattered around to so many places, and we would have to try to do so much with so little gas, that we wouldn't have any service. It would also create a dangerous situation, where the gas would go out, no doubt, in a number of places. In fact, it would demoralize the operation of the company."

Angle, (Fayette County Gas Company), record, page 555:

"It would, without any question of doubt, put The Fayette County Gas Company out of business."

Daly, (The East Ohio Gas Company), record, page 588:

"The result of such an action, in so far as we are able to anticipate it, would be the wreckage—practical financial wreckage of the company. It would result in depriving many of the communities of gas service of any kind. It would leave our transportation system without any reason or any practical use to which it could be applied. That alone would involve a loss of approximately \$20,000,000, less whatever salvage might be obtained from it."

Jones, (The Pure Oil Company), record, page 636:

"The Dayton Gas Company, depending entirely upon its supply from The Logan Natural Gas & Fuel

Company, which company secures the gas from West Virginia, and having no other source of supply, if the gas was cut off entirely, would immediately have to turn to other fuel. If the gas was only partially curtailed the consumers would have to be limited undoubtedly to cooking, heating water, some lighting and perhaps a little auxiliary heating."

Denning, (The Ohio Fuel Supply Company, (record, page 673:

"A very disastrous and destructive effect upon both, of course more or less dependent upon the quantity of gas diverted. A substantial quantity diverted would have the immediate effect of disorganizing and disarranging the service to the consumers throughout the state, make necessary the entire elimination of service from a considerable number of consumers, a complete rearrangement of lines, compressing stations and operating conditions of the company and undoubtedly deprive a considerable portion of the people served by the company, of gas service, thereby destroying the investment which they have in appliances, and also result in a destruction of a considerable portion of the company's property, by reason of the fact that it would no longer be of any value or use in the company's operations, and would not have any value whatsoever, except what might be possibly obtained from a resale or junk or a salvage value. It would necessitate—I think I have already said—a complete elimination or discontinuance of service to a considerable number of consumers."

"Q. Do you mean by that a considerable number of municipalities?

A. Yes; for instance, for illustration, take the city of Columbus—

Q. That is the capital of the state?

A. The capital of the state, yes; we rely almost entirely upon the volume of gas produced in West Virginia and transported through the West Virginia

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18-inch line, to supply Columbus. If that were diverted or were to cease, Columbus would be, I may say, almost without gas service entirely."

McMahon, (The Northwestern Ohio Natural Gas Company), record, page 725:

"If the Northwestern was to be deprived, through the legislative acts of another state, or if the Hope Company were only able to deliver us a smaller quantity or a less quantity of gas than they are at present delivering us, it would cause us great hardship in the communities we serve. If that was very extensive it would cause, during the winter months, almost a total cessation of the supply of gas to our consumers, and would cause irreparable damage to the people that we serve, and would be detrimental to their health and dangerous to their property. \* \* \* The company would be financially ruined."

Whitecomb, (The Union Natural Gas Corporation, The Logan Natural Gas and Fuel Company, and other subsidiary companies, (record, pages 782-783):

"It would ruin and demoralize the service in our entire southern division, with the exception of the two and a quarter million feet of gas available in local fields. There would be absolutely no gas whatever passing through the line west of Sugar Grove compressing station supplying the city of Dayton the city of Muncie, Richmond, New Castle and other cities and towns in Ohio and Indiana. We would have no service whatever, or no supply to deliver to the city of Lancaster, in Fairfield county. \* \* \*"

James H. Reed, former president of the Philadelphia Company, says, (page 526):

"Under the operation of the West Virginia statute, even eliminating from consideration the in-

creased industrial consumption in West Virginia, there would be enough gas taken out of the lines by increasing the domestic consumption and by making other connections to very seriously cripple the service to Pennsylvania and Ohio consumers on cold days."

Anderson, (expert witness), record, page 828:

"The chief effect upon the large utilities would be to disorganize their operations because of changing the direction and amounts of gas from those for which their plants were designed to meet demands which were unforeseen and which, being caused by the deficiency in supply of gas produced by small local companies, would come at times of greatest demand upon their own consumers, this great deficiency in supply to the consumers in other states during extreme cold weather would cause great distress and suffering and be attended with danger of possible death from asphyxiation."

Wyer, (expert witness), record, page 909:

"Q. What would be the effect of making physical connection in West Virginia between those interstate lines and local lines or communities, as is provided for in the statute now under discussion, as to the service on the lines of such interstate companies?

A. The immediate practical effect of making such connections would be to demoralize in all cases, and in many instances destroy entirely, the interstate service for natural gas transmission, in towns outside of West Virginia."

## CONCLUSION OF STATEMENT OF THE CASE.

The proofs taken, and hereinbefore reviewed, show that the effect of the enforcement of the act in question herein would be to compel the gas companies engaged in transporting gas from West Virginia in interstate commerce to divert immediately a considerable proportion of the gas now being transported in interstate commerce and furnish it to applicants inside the state; that within a comparatively short period the increased demand for gas for industrial consumption inside the State of West Virginia, which increase would be the natural consequence of the preference created by the act in question, would require all of the gas produced in West Virginia, leaving none for exportation interstate; that the diversion to intrastate uses of any considerable proportion of the amount of gas now being transported interstate, would, during the cold weather months, demoralize the gas service in the plaintiff state and other states and render it dangerous and intolerable; the consequence of this would be that provision for other fuel would have to be made, and the consumers would lose their gas supply and the value of their appliances adapted to natural gas; the companies and municipalities transporting and distributing the gas would lose the larger portion of the value of their investments; that natural gas is the ideal fuel for domestic purposes, and that this fact has been recognized by the gas companies and governmental authorities of the State of Ohio by giv-

ing the preference in all cases to domestic consumers; that the contract and property rights of these domestic consumers, as well as those of the plaintiff state and of its subdivisions, would be impaired and destroyed by the operation of the act in question.

We proceed now to the discussion of whether or not the State of West Virginia has the power, under our constitutional limitations, to impose these consequences upon the plaintiff state and her citizens and residents.

**LEGAL ARGUMENT.****I.****THIS CASE IS PROPERLY BROUGHT IN THE ORIGINAL JURISDICTION OF THIS COURT.**

The allegations made by the pleadings and the facts as shown by the proofs in this case clearly bring it within the original jurisdiction of this court, as that jurisdiction has been defined in the cases.

In the case of *Kansas v. Colorado*, 185 U. S., 125, this question was fully discussed by Mr. Chief Justice Fuller in an able opinion in which he held that, undoubtedly, the constitution made some things justiciable which were not known as such at the common law and that, as the remedies ordinarily resorted to by independent states for the determination of controversies raised by collision between them were withdrawn from the states by the constitution, a wide range of matters susceptible of adjustment, and not purely political in their nature, were made justiciable by that instrument. He referred to the case of *Missouri v. Illinois*, 180 U. S., 208, in which it was held that the State of Missouri had a right to sue in this court to protect the health and comfort of her citizens which were threatened by the act of the state of Illinois in introducing large quantities of sewage into the waters of a river upon which the state of Missouri depended for her water supply. He held that the mere fact that a state



had no pecuniary interest in the controversy would not defeat the original jurisdiction of this court which might be invoked by the state as **parens patriae**, trustee, guardian or representative of all, or a considerable portion, of its citizens. The learned justice stated that, when one of our states complains of the infliction of a wrong by another state this court has the constitutional jurisdiction to ascertain the existence of the cause of complaint and to adjust the matter, if the complaint be well founded, since the states of the Union cannot make war upon each other nor make reprisal upon each other by embargo nor enter upon diplomatic relations and make treaties. He asserted the power of the court to sit, upon occasion, as an international tribunal and to apply international law if the exigencies of the particular case should so demand.

Again, in the case of Georgia vs. Tennessee Copper Company, 206 U. S., 230, Mr. Justice Holmes, delivering the opinion, used the following language:

"The case has been argued largely as if it were one between two private parties; but it is not. The very elements that would be relied upon in a suit between fellow citizens as a ground for equitable relief are wanting here. The state owns very little of the territory alleged to be affected, and the damage to it capable of estimate in money, possibly, at least, is small. This is a suit by a state for an injury to it in its capacity of quasi-sovereign. In that capacity the state has an interest independent of and behind the titles of its citizens, in all the earth and air within its domain. It has the last word as to whether its mountains shall be stripped of their forests, and its inhabitants shall breathe pure air. It might have to pay individuals before it could utter that word, but with it remains the final power. The alleged

damage to the state as a private owner is merely a makeweight, and we may lay on one side the dispute as to whether the destruction of forests has led to the gullying of its roads."

The rule of these cases is readily applicable to the facts of the instant case. The court took this view in passing upon the application for leave to file, and, since the proofs taken clearly support all the material allegations in the bill of complaint, the action of the court in thus taking jurisdiction of the case was clearly right.

## II.

### NATURAL GAS IS PRIVATELY OWNED, AND IS NOT THE PROPERTY OF THE STATE, WHICH THE STATE MAY REFUSE TO PERMIT TO BE TRANSPORTED OUTSIDE THE STATE.

The claim may be made that natural gas is comparable with wild game and naturally flowing water, which have been held to be the property of no one until reduced to possession, and as to which, therefore, the state may impose terms upon the privilege of reducing them to possession. See *Geer vs. Connecticut*, 161 U. S., 519; *Hudson City Water Co. vs. McCarter*, 209 U. S., 349.

This claim, if made, is completely answered by the statement that such is not the law of West Virginia, as is shown by repeated decisions of their Supreme Court of Appeals, to which we now refer.

In the case of *Williamson vs. Jones*, 39 W. Va., 231,

Holt, J., speaking for the Supreme Court of Appeals of that state, said:

"We are met at the threshold by the contention on the part of defendant Jones that, no matter who may be the rightful owner of the land, petroleum—mineral oil—so far from being a part of the inheritance, something of which waste can be committed, is only capable of the qualified ownership of belonging to him who first appropriates it, no matter where it may be situated. Whatever the earlier decisions in other states may have been, it has never been so held in this state; and the authorities now very generally—universally, so far as I have examined them—hold petroleum to be a mineral, and as much a part of the realty as timber, coal, or iron ore, except that in proper cases its mobility as a subterranean liquid must be taken into consideration as in the case of salt water, etc. \* \* \* Oil is a mineral and, being a mineral, is part of the realty. *Funk vs. Haldeman*, 53 Pa. St., 229. In this it is like coal or any other natural product which in *situ* forms part of the land."

This case came again before the Supreme Court of Appeals of West Virginia, (43 W. Va., 562), where, Brannon, J., speaking for the court, said:

"Petroleum oil in its place in the land is a part of the land itself, just as are ore, coal, timber and iron."

This question again came before the Supreme Court of Appeals of West Virginia in *Wilson vs. Youst*, 43 W. Va., 826, and the court in an opinion in which it examined the authorities at considerable length, held to its former opinion.

Later, in the case of *South Penn Oil Company vs. Mc-*

Intire, 44 W. Va., 296, the court reaffirmed the doctrine laid down in *Wilson vs. Youst*, supra, and cited again the language given from *Stoughton's Appeal*, 88 Pa. St., 198. Still later, in the case of *Carter vs. Tyler County Court*, 45 W. Va., 806, a case arising over the right to tax oil and gas leases, the Supreme Court of West Virginia said:

"While the oil remains in the cavities of the rocks **in situ**, this court has held in *Wilson vs. Youst*, (43 W. Va., 826), and *Williamson vs. Jones*, (39 W. Va., 231), that it is part of the realty. The lessee may drill the well to the sand or rock in which the oil is contained, but the oil does not change its character from realty to personalty, or any portion of its ownership until it is brought to the surface, and then seven eighths of it becomes the property of the lessee."

Still later, in the case of *Preston vs. White*, 57 W. Va., 278, the same court, through Brannon, P. J., held to the same effect.

These West Virginia decisions, which stand unreversed, absolutely conclude argument as to the nature of the ownership of natural gas in that state. The West Virginia view is in full accord with the decisions of this court.

In *Brown vs. Spillman*, 155 U. S., 665, 669, Mr. Justice Shires said:

"Petroleum gas and oil are substances of a peculiar character, and decisions in ordinary cases of mining, for coal and other minerals which have a fixed **situs**, can not be applied to contracts concerning them without some qualifications. **They belong to the owner of the land, and are a part of it**, so long as they are on it or in it, or subject to his control,

but when they escape and go into other land, or come under another's control, the title of the former owner is gone. If an adjoining owner drills his own land and taps a deposit of oil or gas, extending under his neighbor's field, so that it comes into his well, it becomes his property. *Brown vs. Vandergrift*, 80 Penn. St., 142, 147; *Westmoreland Nat. Gas Co.'s Appeal*, 25 Weekly Notes of Cases, (Penn.), 103."

The nature of the land owner's property in natural gas, and the distinction between the cases involving on the one hand things which are owned by no one, such as wild animals and flowing water, and, on the other hand, things which are the subjects of private ownership, has not anywhere been better stated than by the late Chief Justice White in the case of *Ohio Oil Company vs. Indiana*, 177 U. S., 190, 208, 210.

This court upheld the constitutionality of the statute of the State of Indiana prohibiting the owner of any natural gas or oil well to permit the gas or oil to escape and waste for a longer period than two days after gas or oil had been struck in the well. In the opinion Mr. Justice White said:

"If the analogy between animals **ferae naturae** and mineral deposits of oil and gas, stated by the Pennsylvania court and adopted by the Indiana court, instead of simply establishing a similarity of relation, proved the identity of the two things, there would be an end of the case. This follows because things which are **ferae naturae** belong to the 'negatime community.' In other words, are public things subject to the absolute control of the state, which, although it allows them to be reduced to possession, may at its will not only regulate but wholly forbid their future taking. *Geer vs. Connecticut*, 161 U. S.,

519, 525. But whilst there is an analogy between animals **ferae naturae** and the moving deposits of oil and natural gas, there is not identity between them. Thus, the owner of land has the exclusive right on his property to reduce the game there found to possession, just as the owner of the soil has the exclusive right to reduce to possession the deposits of natural gas and oil found beneath the surface of his land. The owner of the soil can not follow game when it passes from his property; so, also, the owner may not follow the natural gas when it shifts from beneath his own to the property of some one else within the gas field. It being true as to both animals **ferae naturae** and gas and oil, therefore, that whilst the right to appropriate and become the owner exists, proprietorship does not take being until the particular subjects of the right become property by being reduced to actual possession. The identity, however, is for many reasons wanting. In things **ferae naturae** all are endowed with the power of seeking to reduce a portion of the public property to the domain of private ownership by reducing them to possession. **In the case of natural gas and oil no such right exists in the public. It is vested only in the owners in fee of the surface of the earth** within the area of the gas field. This difference points at once to the distinction between the power which the lawmaker may exercise as to the two. In the one, as the public are the owners, every one may be absolutely prevented from seeking to reduce to possession. No divesting of private property, under such a condition, can be conceived because the public are the owners, but the enacting by the state of a law as to the public ownership is but the discharge of the governmental trust resting in the state as to property of that character. *Geer vs. Connecticut*, supra. On the other hand, as to gas and oil, the **surface proprietors** within the gas field all have the right to reduce to possession the gas and oil beneath. They **could not be absolutely deprived of this right which belongs to them without a taking of private**

**property.** \* \* \* Viewed, then, as a statute to protect or to prevent the waste of the common property of the surface owners, the law of the State of Indiana which is here attacked because it is asserted that it divested private property without due compensation, in substance, is a statute protecting private property and preventing it from being taken by one of the common owners without regard to the enjoyment of the others."

The above was approved, and much of the language of Mr. Justice White was quoted in the opinion of this court in the case of *West vs. Kansas Natural Gas Co.*, 221 U. S., 29. Every court in which the question has arisen has taken a similar view. The following text writers confirm our statements. Thornton on Oil and Gas, Sections 8, 19, 20; White on Mines and Mining Remedies, Section 62, p. 223; Snyder on Mines, Section 1170, p. 954.

Since the question has been directly determined by the Supreme Court of Appeals of West Virginia, and by this court, we shall not trouble the court with the further authorities, which are numerous and uniform.

The distinction between the case at bar and the case of *Hudson Water Company v. McCarter*, 209 U. S., 349, in which this court held that the State of New Jersey might, by valid enactment, forbid the transportation of the water of a river flowing within the State of New Jersey, for consumption in a city in another state, is as obvious as the distinction made by Mr. Justice White in the case of *Ohio Oil Company vs. Indiana*, *supra*, between the rights of the state in wild game and natural gas. The language of the court in the Hudson water case itself

distinguishes this case from that. Mr. Justice Holmes said at page 356 of that case:

"It is fundamental, and we are of opinion that the private property of riparian proprietors can not be supposed to have deeper roots."

But the private property in natural gas has been held by all courts to be as deeply rooted as that in any other property. The statute in question here does not seek to limit the right of owners to take gas from the earth. It fully permits the complete reduction of the gas to private ownership and possession, but it only seeks to limit the right of the private owner and possessor to transport the gas in interstate commerce. Certainly natural gas, lawfully taken from the earth and placed in containers, and for decades recognized as a proper subject of interstate transportation, and always held to be, even when in place in the earth, the subject of private ownership and possession, can be no more properly brought within the rule of the Hudson Water Company case than can oil or coal or iron or copper or any other natural resource. It will hardly be contended that the right of the owner of coal or iron or oil to raise and deal with this property can be qualified by the state by limiting that right to the use of it inside the state. The difference between these cases and those of wild animals and flowing water is that the state is the owner, if it chooses to be so, of the wild animals and flowing water, since they have no private owner, and hence may transfer that ownership upon terms fixed by itself. The state is nowhere, certainly not in West Virginia, thought to be the owner of coal, or oil or gas in



place, hence there is no opportunity to attach conditions upon the acquisition of title. The state can control the use, within the limits of its police power, but it can not, by the exercise of this power, prevent interstate commerce. The language of Mr. Justice Holmes at page 357 of the opinion in *Hudson Water Co. vs. McCarter*, 209 U. S., 349:

“It finds itself in possession of a great public good. What it has it may keep, and give no one a reason for its will,”

can not be made applicable, since the state has it not, unless we are prepared to say that the state has all things which are within its borders and may prevent their exportation,

“And give no one a reason for its will.”

No one would claim this to be the law.

In the case of *West vs. The Kansas Natural Gas Company*, 221 U. S., 229, Mr. Justice McKenna, delivering the opinion of the court, said, at page 259, in distinguishing the case of *Hudson Water Co. vs. McCarter*, *supra*:

“That principle was that the ‘interest of the public of a state to maintain the rivers that are wholly within it substantially undiminished, except by such drafts upon them as the guardian of the public welfare may permit for the purpose of turning them to a more perfect use.’ And this principle was emphasized as the one determining the case, and the opinion expressed that it was ‘quite beyond any rational view of riparian rights that an agreement of no matter what private owners could sanction the diversion of an important stream outside the boundaries of the state in which it flows. The private right to appropriate is subject not only to the rights of land owners, but to the initial limitation that it

may not substantially diminish one of the great foundations of public welfare and health.'

It is hardly necessary to say that there was no purpose in the case to take from property its uses and commercial rights, or to assimilate a flowing river and the welfare which was interested in its preservation to the regulation of gas wells, or to take from the gas when reduced to possession the attributes of property decided to belong to it in *Ohio Oil Co. v. Indiana*, and recognized in *Lindsley v. Natural Carbonic Gas Co.* Indeed, pains were taken to put out of consideration a material measure of the benefits of a great river to a state. And surely we need not pause to point out the difference between such a river, flowing upon the surface of the earth, and such a substance as gas, seeping invisible through sands beneath the surface."

There is nothing, then, in the character of natural gas, which permits it to be considered as a thing apart, and to be placed, together with its owners and those who desire to consume it, outside the protection of the commerce clause of the constitution.

### III.

#### NATURAL GAS WHEN REDUCED TO POSSESSION IS A COMMODITY WHICH BELONGS TO THE OWNER OF THE LAND, AND MAY BE THE SUBJECT OF BOTH INTRASTATE AND INTER- STATE COMMERCE.

Extended argument upon this point is rendered unnecessary by the statement made in division X. on page 36 of the answer of the defendant, which we here quote:

"While this defendant admits that gas is or may be an article of interstate commerce, yet this defend-

ant denies that gas placed in mains or pipes by public service gas companies, is either in interstate commerce or a legitimate article of interstate commerce, unless and until it has reached the point where it is no longer subject to the public service in West Virginia, and the duties imposed by law upon public service gas companies have been observed and performed by them; and denies that the requirement of the performance or observance of the duties owed by such companies is an interference with interstate commerce or a burden thereon."

In the case of *West v. Kansas Natural Gas Co.*, 221 U. S., 229, *supra*, the first paragraph of the syllabus is as follows:

"Natural gas when reduced to possession is a commodity which belongs to the owner of the land and may be the subject of both intrastate and interstate commerce."

The opinion of the court in that case reviews the authorities upon this question, calling attention especially to the Indiana cases of *State ex rel. Corwin v. Indiana & Ohio Oil, Gas & Min. Co.*, 120 Ind., 575, 6 L. R. A., 579, 2 Inters. Com. Reps., 758, 22 N. E., 776; *Manufacturers Gas and Oil Co. v. Indiana Natural Gas & Oil Co.*, 155 Ind., 545, 53 L. R. A., 134, 58 N. E., 706, 21 Mor. Min. Rep., 102, and *Jamieson v. Indiana Natural Gas & Oil Co.*, 128 Ind., 555, 12 L. R. A., 652, 3 Inters. Com. Rep., 613, 28 N. E., 76, which the court in the *West* case discusses at pages 256-258 of 221 U. S. Reports. The view of the first Indiana case, *State v. Indiana, etc., Co.*, 120 Ind., 575, *supra*, had been earlier approved by this court in the case of *Ohio Oil Co. v. Indiana*, 177 U. S., 190,

where this court in an opinion by Mr. Justice White approved the same, saying:

"In *State v. Indiana, Etc., Co.*, 128 Ind., 575, a law of the State of Indiana which made it unlawful for any person to conduct natural gas beyond the state, and imposing penalties for so doing, was assailed as unconstitutional because repugnant to the commerce clause of the Constitution of the United States. The court held the statute to be void for the asserted clause. The property in natural gas when reduced to actual possession was decided to be like any other property, and therefore the subject of commerce, and within the protection of the Constitution of the United States."

In *Haskell v. Kansas Natural Gas Co.*, 224 U. S., 217, (1912), this court, in refusing to modify the decree in the case of *West v. Kansas Natural Gas Co.*, *supra*, said:

"The original proceeding was brought to enjoin the officers of the State of Oklahoma from preventing the carriage in interstate commerce beyond the lines of the state of natural gas which had been severed from the earth by the owners of such gas, and particularly to enjoin enforcement of a certain statute of the state passed in 1907 \* \* \*. This court held that natural gas after severance is a commodity which might be dealt in like other products of the earth, as coal and other minerals, and is a legitimate subject of interstate commerce; and that no state by such laws as were involved in the case can prohibit its transportation in interstate commerce beyond the lines of that state \* \* \*. (Page 228.)

"As we have said, this court in its decision affirmed the right of the complainants in the conduct of interstate commerce, to take natural gas out of the state and declared that a state could not prohibit the transportation of such product beyond its bor-

ders and that the legislative act in question was an act the main purpose and effect of which were to prohibit the exercise of lawful rights secured by the federal constitution."

In *Pennsylvania Gas Company v. Public Service Commission of New York*, 252 U. S., 23, (1920), this court, affirming the decision of the New York Court of Appeals, 225 N. Y., 397, said:

"We think that the transmission and sale of natural gas produced in one state, transported by means of pipe lines and directly furnished to consumers in another state is interstate commerce within the principles of the cases already determined by this court. *West v. Kansas Natural Gas Co.*, 221 U. S., 229; *Haskell v. Kansas Natural Gas Co.*, 224 U. S., 217; *Western Union Telegraph Co. vs. Foster*, 247 U. S., 105. \* \* \*

"In the instant case the gas is transmitted directly from the source of supply in Pennsylvania to the consumers in the cities and towns of New York and Pennsylvania, above mentioned. Its transmission is direct, and without intervention of any sort between the seller and the buyer. The transmission is continuous and single, and is, in our opinion, a transmission in interstate commerce, and therefore subject to applicable constitutional limitations which govern the states in dealing with matters of the character of the one now before us."

In the case of *Landon, Receiver, v. Public Utilities Commission of Kansas*, 242 Fed., 658, the court said:

"Reverting to the character of the business transacted by the receiver, it is to be noted, (a) that the shipment is started on its journey from one state to another; (b) with the purpose it shall be delivered to a consumer; (c) that it moves continuously from

a point of shipment in one state to the consumer in another state; (d) that it is moved part of the way in the pipe lines of the distributing company, whether as agent of the receiver or as connecting carrier is immaterial; (e) the destination of the shipment is intended at the time of the shipment to be beyond the state, although the name of the particular consumer for any specific portion of the gas shipped is not known; (f) there is no stoppage in transportation; (g) the title to the gas remains in the receiver until delivery to the ultimate consumer.

"In substance and effect there are continuing orders by the consumers to the receiver through the distributing company to supply them with gas from the Oklahoma fields. Such transactions have the character of interstate commerce at their inception and this character continues until final delivery. *Crenshaw v. Arkansas*, 227 U. S., 389, \* \* \* and cases cited. Even though the shipment is started before a definite order for a specific amount is given, still the continuous and usual course of business determines the character of the shipment. *Swift & Co. v. United States*, 196 U. S., 375, \* \* \*; *Grand Union Tea Co. v. Evans*, (D. C.), 216 Fed., 79."

This court, in *Public Utilities Commission vs. Landon*, 249 U. S., 236, reversed the decision of the Circuit Court of Appeals last cited upon the ground that the interstate character of the transportation ceased upon the sale and delivery of the natural gas to the local distributing companies in the city and state where the gas was to be consumed. This court, in that case, said, however:

"That the transportation of gas through pipe lines from one state to another is interstate commerce may not be doubted. Also, it is clear that as part of such commerce the receivers might sell and deliver gas so transported to local distributing companies free from unreasonable interference by the state. Ameri-

can Express Co. v. Iowa, 196 U. S., 133, 143; Oklahoma v. Kansas Natural Gas Co., 221 U. S., 229; Haskell v. Kansas Natural Gas Co., 224 U. S., 217, \* \* \*. See also Haskell vs. Cowham, 187 Fed., 403."

The same question came before the Court of Chancery of New Jersey in the case of Benedict v. Columbus Construction Company, 49 N. J. Eq., 23, and was similarly decided. See to the same effect Cooley on Constitutional Limitations, 7 ed., 858; Prentice & Egan, on the Commerce Clause of the Federal Constitution, 195.

Every court, then, which has passed upon this matter has determined that natural gas is a commercial commodity and that its transportation in pipe lines, which is the only practicable method of transporting it, is, if those lines cross state boundaries, interstate commerce. The statement of the defendant state, then, on page 36 of its answer, as follows:

"Yet this defendant denies that gas placed in mains or pipes by public service gas companies is either in interstate commerce or a legitimate article of interstate commerce, unless and until it has reached the point where it is no longer subject to the public service in West Virginia, and the duties imposed by law upon public service gas companies have been observed and performed by them,"

is so completely contrary to the established law upon the subject that one would desire to wait until counsel for the defendant had suggested some legal reason for this striking proposition before making an argument upon the subject. At this point, however, the statement seems to be simply wrong. If gas is a commodity and as such is a proper subject of interstate commerce, then it must

follow that the law of West Virginia, made either by statute or judicial decision, and whether it purports to be an exercise of police power or not, can not convert a physical commodity, which has always been held to be a subject of interstate commerce, and which is still moving, or which persons still desire to move, across state lines, into a thing which is not a legitimate article of interstate commerce. *Western Union Telegraph Co. vs. Foster*, 247 U. S., 105; *Western Union Telegraph Co. vs. Pendleton*, 122 U. S., 347, 359; *Leisy vs. Hardin*, 135 U. S., 100; *Savage vs. Jones*, 225 U. S., 501; *Western Union Telegraph Co. vs. Brown*, 234 U. S., 542, 547; *Vandalia Coal Co. vs. Commission*, 268 Fed., 572.

#### IV.

### THE ACT IN QUESTION CONSTITUTES A REGULATION OF INTERSTATE COMMERCE.

#### (a) Purpose of the Commerce Clause.

One of the principal contentions of the complainant in this case is that the act of the State of West Virginia, in question here, is unconstitutional because it is in violation of Clause 3 of Section 8 of Article I of the Constitution of the United States, the so-called "commerce clause." It becomes pertinent, therefore, to refer briefly to the historical background of the commerce clause, and the history of its adoption and interpretation.

The causes leading to the adoption of the Commerce Clause were well stated by Mr. Justice Johnson of this



court in his concurring opinion in the case of *Gibbons v. Ogden*, 9 Wheaton, 1, in which opinion he stated that, upon the return of peace following the War of the Revolution, the sympathies which had bound the states together during the period of the war dissolved and the states, finding themselves in full control over their own commerce, enacted iniquitous laws and impolitic measures from which grew up a conflict of commercial relations destructive of the domestic harmony of the states and fatal to their commercial interests abroad. He stated that this commercial anarchy was the immediate cause that lead to the Constitutional Convention and that the adoption of the Commerce Clause was recognized at the time as removing from the states the power to enforce these conflicting commercial regulations, as proved by the fact that such regulations, which existed by statute in every state, were permitted to drop lifeless without even the formality of a repeal.

Chief Justice Marshall, in the case of *Brown vs. Maryland*, 12 Wheaton, 419, said:

“The oppressed and degraded state of commerce previous to the adoption of the constitution can scarcely be forgotten. It was regulated by foreign nations with a single view to their own interests; and our disunited efforts to counteract their restrictions were rendered impotent by want of combinations. Congress, indeed, possessed the power of making treaties; but the inability of the federal government to enforce them had become so apparent as to render that power in a great degree useless. Those who felt the injury arising from this state of things, and those who were capable of estimating the influence of commerce on the prosperity of nations,

perceived the necessity of giving the control over this important subject to a single government. It may be doubted whether any of the evils proceeding from the feebleness of the federal government contributed more to that great revolution which introduced the present system than the deep and general conviction that commerce ought to be regulated by congress. It is not, therefore, matter of surprise that the grant should be as extensive as the mischief, and should comprehend all foreign commerce and all commerce among the states. To construe the power so as to impair its efficacy would tend to defeat an object, in the attainment of which the American public took, and justly took, that strong interest which arose from a full conviction of its necessity. What then is the just extent of a power to regulate commerce with foreign nations, and among the several states? This question was considered in the case of *Gibbons v. Ogden*, (9 Wheat. Rep., 1), in which it was declared to be complete in itself, and to acknowledge no limitations other than are prescribed by the constitution. The power is co-extensive with the subject on which it acts, and can not be stopped at the external boundary of a state, but must enter its interior."

In the case of *Cook v. Pennsylvania*, 97 U. S., 574, this court reviewed the history of the constitutional convention with particular reference to the interstate commerce clause, and stated in its opinion that:

"A careful reader of the history of the times which immediately preceded the assembling of the convention which framed the American constitution can not fail to discover that the need of some equitable and just regulation of commerce was among the most influential causes which led to its meeting."

And still later in *Lehigh Valley Co. v. Pennsylvania*, 145 U. S., 192, Mr. Chief Justice Fuller said:

"The conflict between the commercial regulations of the several states was destructive to their harmony and fatal to their commercial interest abroad, and this was the mischief intended to be obviated by the grant to the congress of the power to regulate commerce with foreign nations and among the states."

And in *Cook vs. Marshall County*, 196 U. S., 261, Mr. Justice Brown said:

"The power of congress to regulate commerce among the states is perhaps the most benign gift of the constitution. Indeed, it may be said that without it the constitution would not have been adopted. One of the chief evils of the confederation was the power exercised by the commercial states of exacting duties upon the importation of goods destined for the interior of the country or for other states. The vast territory to the west of the Alleghanies had not yet been developed or subdivided into states, but the evil had already become so flagrant that it threatened an utter dissolution of the confederacy. The article was adopted that all of the states of the Union might have the benefit of the duties collected at the maritime ports, and to relieve them from the embarrassing restrictions imposed upon the internal commerce of the country."

In his dissenting opinion in the case of *Austin vs. Tennessee*, 179 U. S., 343, Mr. Justice Brewer said:

"Second only to the power 'to collect taxes' and 'to borrow money' is the power given to congress by Section 8, Article 1 of the constitution 'to regulate commerce with foreign nations, and among the several states, and with the Indian tribes.' Thus next in order, as though next in importance to the

power of maintaining itself by taxation and borrowing money, is the power to regulate commerce between the states, as well as between the United States and foreign nations."

**(b) The Early Judicial Decisions Interpreting the Commerce Clause.**

Not until 1824 was there any important judicial determination bearing upon the commerce clause of the constitution. In that year the well known case of *Gibbons vs. Ogden*, 9 Wheaton, 1, 6 L. Ed., 23, involving the question of the right of the New York legislature to grant an exclusive right of navigation of the waters within the jurisdiction of the State of New York with boats propelled by fire or steam, was decided. In that case this court unanimously reversed the New York court and held the act of the legislature of New York to be void because in conflict with the federal constitution. The principles there laid down by Chief Justice Marshall, speaking for the court, formed the foundation upon which the whole structure of judicial determination with reference to the commerce clause has been built. In that case commerce was defined as being a more general term than traffic, and as including intercourse between nations and states, and comprising every form of commercial relation between the various states.

"It (commerce) described the commercial intercourse between nations and parts of nations in all its branches and is regulated by prescribing rules for carrying on that intercourse."

This decision frankly recognized that the power does not extend to commerce conducted **entirely within the states**, but asserted that the protection of the commerce clause does not halt at state lines, when applied to foreign and interstate intercourse; that the control of Congress over interstate commerce is absolute and knows no limitation. It was, on the other hand, recognized that such legislation as quarantine laws, health laws and inspection laws, being in the general description of police powers, still belong to the states, even though they might indirectly affect interstate commerce. The question of whether the jurisdiction of the Congress over interstate commerce was so complete that, even in the absence of action by congress, the states could not in any way regulate it, was not decided, although the point was strenuously argued by distinguished counsel. Chief Justice Marshall said, however:

“It has been contended by the counsel for the appellant, that as the word to ‘regulate’ implies in its nature full power over the thing to be regulated, it excludes, necessarily, the action of all others that would perform the same operation on the same thing. That regulation is designed for the entire result, applying to those parts which remain as they were as well as to those which are altered. **It produces a uniform whole, which is as much disturbed and deranged by changing what the regulating power designs to leave untouched as that on which it has operated.** There is great force in this argument, and the court is not satisfied that it has been refuted.” (Bold type ours.)

Mr. Justice Johnson, in his concurring opinion in that case, said that the power to regulate foreign commerce

is necessarily exclusive in the federal government since the states are entirely unknown to foreign nations and that, since the language which grants the power over interstate commerce is the same as that which grants the power as to foreign commerce, the power over interstate commerce is also necessarily exclusive.

This point, left undecided in *Gibbons vs. Ogden*, has been the basis of much of the later litigation involving the commerce clause.

In the case of *Brown vs. Maryland*, 12 Wheaton, 419, (1827), this court said, although the statement was not required for the decision:

“The power claimed by the state (the power to impose a license tax upon importers for the privilege of selling goods), is in its nature in conflict with that given to congress.”

The case was, however, put expressly upon the ground that congress had expressly authorized importation by imposing a duty upon the article in question, and that hence the statute of Maryland was in conflict with the act of congress and not merely with the general power of congress given it by the commerce clause.

In the case of *New York vs. Miln*, 11 Peters, 102, the court refused to pass upon the question of whether the mere constitutional grant of the power to congress was, in the absence of action by Congress, exclusive of state action, although the subject was fully argued. The court was said to have been hopelessly divided upon this question. See the statement of Mr. Justice Wayne, 7 Howard, at 423 (the passenger cases).

In *Pierce vs. New Hampshire*, 5 Howard, 504, (one of the license cases, 1846), this question, which had been reserved in the preceding cases, came squarely before the court for decision. Here again the court was divided, but Mr. Justice Woodbury, for the first time, enunciated the rule which has since become well established. He said, substantially, that, with regard to a regulation which reaches all of the states, the power over commerce, "must, of course, be exclusive," but that there are many local matters concerning which the concurrent and auxiliary actions of the states is permissible. At page 624 of 5 Howard, he said:

"There is much in connection with foreign commerce which is local within each state, convenient for its regulation and useful to the public, to be acted on by each till the power is abused or some course is taken by congress conflicting with it. Such are the deposit of ballast in harbors, the extension of wharves into tide water, the supervision of the anchorage of ships, the removal of obstructions, the allowance of bridges with suitable draws, and various other matters that need not be enumerated, beside the exercise of numerous police and health powers, which are also by many claimed upon different grounds."

The question was next raised in the *Passenger Cases*, 7 How., 282, and again Mr. Justice Woodbury, in his dissenting opinion, adhere to the views stated by him in the *License Cases* and said that, as to "matters of exterior, general and uniform cognizance" the power of congress may be exclusive, and as to such matters the silence of congress is to be respected and obeyed as much as its

action, that in other cases, such as affected any mere local or subordinate matter within the limits of a state, the silence of Congress is rather an invitation for the states to legislate upon it.

In the well known case of *Cooley vs. Port Wardens*, 12 Howard, 310, the view stated by Mr. Justice Woodbury in the license and passenger cases, was at last made the ground of the decision. Mr. Justice Curtis, in delivering the opinion of the court, said:

“The diversities of opinion, therefore, which have existed on this subject have arisen from the different views taken of the nature of this power. But when the nature of a power like this is spoken of, when it is said that the nature of the power requires that it should be exercised exclusively by congress, it must be intended to refer to the subjects of that power, and to say they are of such a nature as to require exclusive legislation by congress. Now, the power to regulate commerce, embraces a vast field, containing not only many, but exceedingly various subjects, quite unlike in their nature; some imperatively demanding a single uniform rule, operating equally on the commerce of the United States in every port; and some, like the subject now in question, as imperatively demanding that diversity, which alone can meet the local necessities of navigation. Either absolutely to affirm, or deny that the nature of this power requires exclusive legislation by congress, is to lose sight of the nature of the subjects of this power, and to assert concerning all of them what is really applicable but to a part.”

This decision is now the established rule. It is, in substance, that the states may exercise powers as to merely local matters, which exercise may have full operation until it is circumscribed by congressional action. In such



eases the inaction of Congress is to be taken as an indication that, until congressional action, the states may freely deal with such local matters. However, in matters admitting or requiring uniform regulation throughout the country or affecting states other than the one which is assuming to legislate, the inaction of congress is to be taken as a declaration of its will that commerce shall be "free and unrestricted."

**(c) Development of the Rule of *Cooley vs. Port Wardens*.  
Cases in Which the Power of Congress is Exclusive.**

The authoritative statement of the rule in the case of *Cooley vs. Port Wardens*, *supra*, still left much opportunity for dispute as to the "nature of the subjects of this power," and the litigation since that time has largely centered upon the proper classification of the power sought to be exercised, and the determination whether it was one which required uniformity of rule, or one which admitted diversity of rule. A helpful statement of the rule was made by Mr. Justice Brown in the case of *Covington, etc., Bridge Co. vs. Kentucky*, 154 U. S., 204, where he said:

"The adjudication of this court with respect to the power of the states over the general subject of commerce are divisible into three classes: First, those in which the power of the state is exclusive; second, those in which the states may act in the absence of legislation by congress; third, those in which the action of congress is exclusive and the states cannot interfere at all."

The third class of cases, under the rule of *Covington Bridge Company vs. Kentucky*, *supra*, embraces "those in which the action of Congress is exclusive and the states cannot interfere at all." It is fairly obvious that the word "action" as used in the quoted clause, means "power," for the **inaction** of Congress, within this class of cases has always been held to be just as effective as its action.

There are many adjudication of this court which place certain cases definitely inside this third class, where "the states cannot interfere."

In the case of *Welton vs. State of Missouri*, 91 U. S., 275, 279, the constitutionality of a statute of Missouri, which imposed a license tax upon persons who sold goods which were the "growth," "product" or "manufacture" of another state was attacked. No license was required for selling similar goods which were produced within the state. The Supreme Court held that this statute was in conflict with the power of Congress to regulate interstate commerce. In the opinion Mr. Justice Field said:

"It will not be denied that that portion of commerce with foreign countries and between the states **which consists in the transportation and exchange of commodities is of national importance, and admits and requires uniformity of regulation.** The very object of investing this power in the general government was to insure this uniformity against discriminating state legislation. \* \* \*

The power which insures uniformity of commercial regulation must cover the property which is transported as an article of commerce from hostile or interfering legislation, **until it has mingled with and**

become a part of the general property of the country, and subjected like it to similar protection, and to no greater burdens. If, at any time before it has thus become incorporated into the mass of property of the state or nation, it can be subjected to any restrictions by state legislation, the object of investing the control in the congress may be entirely defeated.

The fact that Congress has not seen fit to prescribe any specific rules to govern interstate commerce does not affect the question. Its inaction on this subject, when considered with reference to its legislation with respect to foreign commerce, is equivalent to a declaration that interstate commerce shall be free and untrammelled. As the main object of that commerce is the sale and exchange of commodities, the policy thus established would be defeated by discriminating legislation like that of Missouri."

In the case of *Railroad Company v. Husen*, 95 U. S., 465, 469-470, this court had under consideration a statute of the State of Missouri which prohibited importation of certain kinds of cattle into the State of Missouri during a certain period of the year. The court held the act was an attempted regulation of interstate commerce and was void, saying that the transportation of property from one state to another is undeniably interstate commerce, and that any interference with that transportation is necessarily beyond the power of the states. The court further said:

"The Missouri statute is a plain interference with such transportation, an attempted exercise over it of the highest possible power, that of destruction. \* \* The object and effect of the statute are, therefore, to obstruct interstate commerce, and to discriminate between the property or citizens of one state and

that of citizens of other states. \* \* \* **Transportation is essential to commerce, or rather it is commerce itself, and every obstacle to it, or burden laid upon it by legislative authority, is regulation.**"

In the case of *Hall vs. De Cuir*, 95 U. S., 485, 488, this court held a statute providing that carriers of passengers should give all persons equal privileges without discrimination on account of race or color, unconstitutional as applied to a steamboat carrying passengers in and out of a state. It was there said:

"But we think it may safely be said that state legislation, which seeks to **impose a direct burden upon interstate commerce, or to interfere directly with its freedom**, does encroach upon the **exclusive power** of Congress. The statute now under consideration, in our opinion, occupies that position. It does not act upon the business through the local instrument to be employed after coming within the state, but directly upon the business as it comes into the state from without **or goes out from within.**"

In *County of Mobile v. Kimball*, 102 U. S., 691, 697, Mr. Justice Bradley, delivering the opinion of the court said that, among the subjects which are national in their character and "admit and require uniformity of regulation affecting alike all the states," is "all that portion of commerce with foreign countries or between the states which exists in the transportation, purchase, sale and exchange of commodities." The learned justice further said, speaking of this subject:

"Here there can of necessity be only one system or plan of regulation, and that congress alone can prescribe. **Its non-action in such cases with respect to**

any particular commodity or mode of transportation is a declaration of its purpose that the commerce in that commodity, or by that means of transportation, shall be free. There would, otherwise, be no security against conflicting regulations of different states, each discriminating in favor of its own products and citizens and against the products and citizens of other states. And it is a matter of public history that the object of vesting in congress the power to regulate commerce with foreign nations and among the states was to insure uniformity of regulation against conflicting and discriminating state legislation."

In *Brown vs. Houston*, 114 U. S., 622, Mr. Justice Bradley said, upon this point:

"The power to regulate commerce among the several states was granted to congress in terms as absolute as is the power to regulate commerce with foreign nations. If not in all respects an exclusive power, if in the absence of congressional action the states may continue to regulate matters of local interest **only incidentally affecting foreign and interstate commerce**, such as pilots, wharves, harbors, bridges, tolls, freights, etc., still, according to the rule laid down in *Coeley vs. Philadelphia Wardens*, 53 U. S., 12, How. 299, 319 (13:996, 1004), the power of congress is exclusive whenever the matter is national in its character or admits of **one uniform system** or plan of regulation, and is certainly so far exclusive that no state has power to make any law or regulation which will affect the free and unrestrained intercourse and trade between the states, as congress has left it, or which will impose any discriminating burden or tax upon the citizens or products of other states coming or brought within its jurisdiction."

In *Leisy vs. Hardin*, 135 U. S., 100, 108, this court declared unconstitutional a statute of the state of Iowa prohibiting the importation of intoxicating liquors within its territory.

In the opinion, Chief Justice Fuller said:

"Hence, inasmuch as interstate commerce, consisting in the transportation, purchase, sale and exchange of commodities, is national in its character, and must be governed by a uniform system, so long as Congress does not pass any law to regulate it, or allowing the states so to do, it thereby indicates its will that such commerce shall be free and untrammelled.  
\* \* \*

The learned justice further said that a state has no power to define the articles of interstate commerce; that if such power existed it might be selfishly used by a state for the promotion and benefit of its own interests, and that the commercial anarchy and confusion which were sought to be avoided by the adoption of the Commerce Clause of the constitution would soon result from the "diverse exertions of power by the several states of the Union."

In *Western Union vs. James*, 162 U. S., 650, Mr. Justice Peckham said:

"In regard to these matters relating to commerce which are **not of a nature to be affected by locality**, but which necessarily ought to be the same over the whole country, it has been frequently held that the silence of Congress upon such a subject, over which it has unquestioned jurisdiction, was equivalent to a declaration that in some respects commerce should be free and unregulated by any statutory enactment."

In the Minnesota Rate Cases, 230 U. S., 352, 57 L. Ed., 1511, 33 Sup. Ct., 729, the court has recently restated the rules which were developed through the cases from which we have quoted, and others. This court there said, speaking through Mr. Justice Hughes:

"If a state enactment **imposes a direct burden upon interstate commerce**, it must fail regardless of Federal legislation. The point of such an objection is not that Congress has acted, but that the state has directly restrained that which in the absence of federal regulations should be free. If the acts of Minnesota constitute **a direct burden** upon interstate commerce, they would be invalid without regard to the exercise of federal authority touching the interstate rates said to be affected. On the other hand, if the state, in the absence of federal legislation, would have had the power to prescribe the rates here assailed, the question remains whether its action is void as being repugnant to the statute which Congress has enacted.

\* \* \* \* \*

The general principles governing the exercise of state authority when interstate commerce is affected are well established. The power of Congress to regulate commerce among the several states is supreme and plenary. It is 'complete in itself, may be exercised to its utmost extent, and acknowledges no limitations, other than are prescribed in the Constitution.' (Gibbons vs. Ogden, 9 Wheat., 1, 19 L. Ed., 23.) The conviction of its necessity sprang from the disastrous experiences under the Confederation when the states vied in discriminatory measures against each other. In order to end these evils, the grant in the constitution conferred upon Congress an authority at all times adequate to secure the freedom of interstate commercial intercourse from state control and to provide effective regulation of that intercourse as the national interest may demand. \* \*

The grant in the Constitution of its own force, that

is, without action by Congress, established the essential immunity of interstate commercial intercourse from the direct control of the states with respect to those subjects embraced within the grant **which are of such a nature as to demand that if regulated at all their regulation should be prescribed by a single authority.** It has repeatedly been declared by this court that **as to those subjects which require a general system of uniformity of regulation the power of Congress is exclusive.** In other matters, admitting of diversity of treatment according to the special requirements of local conditions, the states may act within their respective jurisdictions until Congress sees fit to act, and when Congress does act the exercise of its authority over-rides all conflicting state legislation."

(Bold type ours in the above quotations.)

Thus the rules have been worked out in the decisions. The interdiction of the commerce clause is against state legislation which lays a direct burden upon interstate commerce, "or imposes restrictions, either by way of taxation, discrimination, or regulation, upon commerce between the states." *Covington, etc., Bridge Co. vs. Kentucky*, *supra*.



- (d) **The Application of the Rule That as to Those Subjects "Which are of Such a Nature as to Demand that if Regulated at all, Their Regulation Should be by a Single Authority" the Power of Congress is Exclusive, to the Act in Question.**

The application of this rule to the legislation here drawn in question is, in our judgment, plain. The language of Mr. Justice Woodbury in the *Passenger Cases*, 7 Howard, 282, seems to us to fit the instant case with remarkable exactness. We quote again that language:

"So far as reasons exist to make the exercise of the constitutional power exclusive, as on matters of **exterior, general and uniform cognizance**, the construction may be proper to render it exclusive."

It is difficult to see how any regulation, the effect of which is to determine the proportionate shares and rights of consumers of natural gas in five states, including the plaintiff state, can be anything except a "matter of exterior, general and uniform cognizance." Neither the legislature nor the courts of West Virginia have the power to determine the rights of the citizens of Cleveland, Columbus, Cincinnati, and the other approximately three hundred cities and towns in the plaintiff state, if the statement made in *Cohen vs. Virginia*, 6 Wheaton, 264, that

"in all commercial regulations we are one and the same people"

is still the law of the land.

Again, the language of the court in the case of **Cooley vs. Port Wardens**, 12 Howard, 310, as follows:

"But when the nature of a power like this is spoken of, when it is said that the nature of the power requires that it should be enforced exclusively by congress, it must be intended to refer to the subjects of that power, and to say that they are of such a nature as to require exclusive legislation by congress. \* \* Some imperatively demanding a single uniform rule, operating equally on the commerce of the United States in every port; \* \* \*."

This language again covers the situation presented by the instant case, the transportation interstate of a product which is the subject of public utility service, and in which over three and one-half millions of people in the plaintiff state according to well recognized rights of public utility consumers, have a right and an interest. This is not a matter which can be said to permit diversity of rule in the different states, through which the lines carrying this public utility product happen to pass.

It is obvious that if each of such states has the power to make its own rules, no matter what may be their effect upon the interstate transportation of gas, or upon the rights and property of consumers of gas located beyond their jurisdiction, the matter will at once take this shape; that the state in which the gas is produced will take all that it "desires" for all purposes; that the state through which the transporting lines next pass will take all that it "desires" for all purposes; that the states lying beyond will take what is left, if any, in the order of their location. The evidence in the case at bar shows conclusively that, within a short period from the time that an act

such as the act in question should become effective and be enforced, if such an act is ever permitted to be enforced, all of the gas will be taken by the first state, namely the state in which the gas is produced. Thus, we would be reduced again to the condition which existed before the constitution, when the only governing principle would be that of state selfishness, which would soon be adopted by every state with reference to its most valuable products as a justifiable retaliatory policy.

“And yet we have said ‘in matters of foreign and interstate commerce there are no state lines.’ ”

*West vs. Kansas Natural Gas Company, supra.*

The statute in question herein not only regulates but lays a direct prohibition and restriction upon the interstate transportation of natural gas. It imposes upon the owners of this commodity, obligations with reference to the disposition of it, the natural and necessary effect of which would be to prevent its transportation from the State of West Virginia. The owners of natural gas are ordered, by the provisions of the statute, to sell their commodity inside the state, which is a method, not very indirect, of telling them that they must not transport it outside the state.

This is the most primitive and most obvious form of violation of the commerce clause. The cases hereinbefore quoted from show that this court has always held that, “state legislation which seeks to impose a direct burden upon interstate commerce or to interfere directly with its freedom, does encroach upon the exclusive power of

Congress;" *Hall vs. DeCuir*, 95 U. S., 485, 488; and that "all that portion of commerce with foreign countries or between states which consists in the transportation, purchase, sale and exchange of commodities" admits and requires uniformity of regulation. The prohibition of commerce attempted by this act is so gross that it almost baffles argument. The act does not merely **regulate** commerce according to the ordinary meaning of the word regulate. It **prohibits** commerce, and the only material question of fact is, "How much of this commodity will, under the act, be prohibited from moving in interstate commerce, and how much, if any, will be permitted to move." We believe that this is a true statement of the problem presented by this statute, and that this court has never been confronted with a state law which, when stripped of its verbiage, attempted a more direct violation of the commerce clause of the constitution.

As to the question of how much gas would be prevented from moving in interstate commerce by this act, the evidence in the case clearly shows that the immediate effect of the enforcement of the act would be to prevent a considerable proportion of the amount of gas now moving in interstate commerce from continuing so to move, since it is proved that all of the gas companies which now transport gas in interstate commerce are obliged to apportion their inadequate supply between their intra-state and interstate consumers and hence could not furnish "a supply of gas reasonably adequate for the purposes of" consumers inside the State of West Virginia without, to a corresponding extent, subtracting from the sup-

ply which is now moving in interstate channels. The statute, in its second section, would further reduce the amount moving in interstate commerce by requiring such owners to furnish gas to other persons not now being furnished, but who may desire to connect with the lines of the owners, and secure a supply, even though the owners of the gas have never held themselves out as being willing, and are not in fact able, to serve them, and this gas would also have to be subtracted from the part now moving interstate.

The evidence shows (Record, p. 216) that the gas appropriated by the statute from these interstate companies must come from either of two places on the pipe line system: (a) by a connection to an intake line between the compressing stations and the wells, in which case it will cause a shutting down of the station in order to permit gas to accumulate in the intake line sufficient pressure to give the desired service, and thus wholly interrupt and prohibit the export of gas from that station; or (b) by a connection to the line discharging from the compressing station towards the state of export, in which case it will divert and diminish the supply so moving interstate.

The evidence further shows, that the ability to secure a supply of this valuable fuel would immediately produce a vastly increased demand inside the State of West Virginia, which would have to be met by further subtractions from the gas now moving interstate, and that these demands would in a short time, consume all of the supply of gas, and leave practically none at all to move across the state lines. The effect upon interstate

commerce then of these regulations and restrictions would be direct, and clearly within the rule of the cases cited. It would create the commercial anarchy and confusion so happily discarded by the commerce clause of the constitution. The answer admits (pages 30 and 31) and the evidence shows that the owners of this gas have been fulfilling their duty as public servants, to the best of their ability, by apportioning their supply among their consumers, without reference to state lines. Consumers in all the states have shared in the advantages, and in the hardships incident to inadequate supply, without discrimination, according to recognized rules of public utility duties. This, of itself, is a fair explanation of the **inaction of Congress** upon this matter, and it is doubtful whether congressional action could better the situation, but the fact remains that the power which could control this interstate movement of natural gas has seen fit to remain inactive, and therefore its movement must be "free and untrammelled." If the owners of this gas should, of their own volition, seek to discriminate against any of the states here interested, it may be assumed that relief from the Congress would not be sought in vain, nor long delayed.

We conclude, then, upon this point, **that the subject in question is one of general cognizance, requiring uniform regulation, if any, and hence the attempted prohibition and regulation by the State of West Virginia must fail.**

## V.

EVEN A POLICE REGULATION MUST BE ABSOLUTELY IMPARTIAL AND NON-DISCRIMINATORY AS BETWEEN INTERSTATE AND INTRASTATE TRANSACTIONS.

Even though the field sought to be covered by state legislation is within the second class, as defined by this court in the case of *Covington Bridge Company vs. Kentucky*, 154 U. S., 204, *supra*, viz., those cases in which the states may, in the absence of legislation by Congress, act, nevertheless it may also lie within the scope of an important corollary to that rule, and the legislation may yet be void. The corollary is that any state regulation though *prima facie* local in its nature, must not be so drawn or applied as to operate as a discrimination against interstate commerce. Numerous cases have applied this rule, or recognized its existence.

In *Ward v. Maryland*, 12 Wallace, 418, the Maryland statute required all traders to apply for a license and pay a fee which in the case of a resident was graduated from twelve dollars to one hundred and fifty dollars, according to the value of the stock, but in the case of a non-resident selling imported goods, the fee was fixed at three hundred dollars. The statute was held void, the majority of the court basing their decision on the equal privileges and immunities clause while the minority concurred upon the additional ground of the commerce

clause. In the course of the majority opinion it was said that the statute

"either works a complete prohibition of all commerce from the other states in goods to be sold by sample within the limits of the described district, or at least creates an unjust and onerous discrimination in favor of the citizens of the state enacting the statute."

In *Woodruff v. Parham*, 75 U. S., 123, the court expressly upheld a tax of the city of Mobile, but only because it was uniform and imposed alike upon all property within the city. The court expressly said, however:

"There is **no attempt to discriminate injuriously against the products of other states, or the rights of their citizens**, and the case is not, therefore, an attempt to fetter commerce among the states, or to deprive the citizens of other states of any privilege or immunity possessed by citizens of Alabama. **But a law having such operation would**, in our opinion, be an infringement of the provisions of the constitution which relate to those subjects, and therefore, void."

The case of *Weldon v. Missouri*, 91 U. S., 275, is in point. There the court reviewed a statute of Missouri imposing a peddler's license tax upon persons going from place to place to sell wares not the product or manufacture of the state and not imposing a like tax upon the sale of similar articles, the growth, product, or manufacture of Missouri. This was a discrimination and the act imposing the tax was held bad, Mr. Justice Field saying:

"Imposts operating as an absolute exclusion of the goods would be possible, and all the **evils of discriminating state legislation, favorable to the interests of**



**one state and injurious to the interests of other states** and countries, which existed previous to the adoption of the constitution might follow, and the experience of the last fifteen years shows would follow from the action of some of the states."

In *Guy v. Baltimore*, 100 U. S., 434, an ordinance of the city of Baltimore imposing wharfage dues upon vessels arriving from other states and not upon those from other parts of the state, was before the court for review. The court held the ordinance unconstitutional. Mr. Justice Harlan, in delivering the opinion, said:

"It must be regarded as settled that no state can, consistently with the federal constitution, impose upon the products of other states brought therein for sale or use, or upon citizens because engaged in the sale therein, or the transportation thereto, of the products of other states, **more onerous public burdens** or taxes than it imposes upon the like products of its own territory. \* \* \* Under the authority of the state, it may also exact wharfage fees, equally, from all who use its improved wharves, provided such charges do not exceed what is fair remuneration for the use of its property. But it cannot employ the property it thus holds for public use so as to hinder, obstruct or burden interstate commerce **in the interest of commerce wholly internal to that state.**"

Another case is that of *Walling v. Michigan*, 116 U. S., 46. There the state had passed a law imposing a specific tax on persons engaged in the sale of liquors to be shipped into the state without imposing a like tax on persons selling liquors manufactured in the state. The court held

this a clear discrimination. In the course of the opinion Mr. Justice Bradley said:

**"A discriminating tax imposed by a state, operating to the disadvantage of the products of other states** when introduced into the first mentioned state, is, in effect, a regulation in restraint of commerce among the states, and as such is a usurpation of the power conferred by the constitution upon the congress of the United States."

In the case of *Minnesota v. Barber*, 136 U. S., 313, the state of Minnesota passed a law, the title of which declared it to be passed for the protection of the public health, and hence a police measure. It required the inspection of all cattle, sheep and swine slaughtered for human food. This inspection was to be made four hours before the slaughter of the animal. Any person selling the meat of animals not so inspected was punished. The law on its face applied to every one without regard to his selling meats from animals raised in the state or animals brought in. The court declared it to be one thing to exclude from its limits cattle, sheep or swine actually diseased or meats by their condition unfit for use, but an entirely different thing to interdict the sale of meat from animals not slaughtered in the state. The act was held unconstitutional.

As another instance of the non-discriminatory treatment which the Supreme Court exacts of a state when it attempts to deal even with matters embraced in the second class, we refer to the case of *Brimmer v. Redman*, 138 U. S., 78. The court had before it an act of Virginia passed undoubtedly under its police power, for its pre-

amble recited the fact that unwholesome meats were being sold in Virginia and then declared it unlawful to sell in the state any fresh meats which had been slaughtered one hundred miles or over from the place at which it was offered for sale, except and until it had been inspected and approved by inspectors provided for by the act. The act also imposed the duty upon all persons before offering for sale any meats so slaughtered to apply to the inspectors to have the same approved. The court declared the act a **discrimination against meats from other states** and unconstitutional. Mr. Justice Harlan said:

"Undoubtedly, a state may establish regulations for the protection of its people against the sale of unwholesome meats, provided such regulations do not conflict with the power enforced by the constitution upon congress, or infringe rights granted or secured by that instrument. But it may not, under the guise of exerting its police power, or of enacting inspection laws, **make discriminations against the products and industries of some of the states in favor of the products and industries of its own or of other states.** The owner of the meats here in question, although they were from animals slaughtered in Illinois, had the right under the constitution, to compete in the markets of Virginia, upon terms of equality, with the owners of like meats, from animals slaughtered in Virginia or elsewhere within one hundred miles from the place of sale. Any local regulations which, in terms or by its necessary operation, denies this equality in the markets of a state, is, when applied to the people and products or industries of other states, a direct burden upon commerce among the states, and therefore void. \* \* \* Nor can this statute be brought into harmony with the constitution by the circumstances that it purports to apply alike to the citizens of all the states, including Virginia; for a burden imposed by a state upon inter-

state commerce is not to be sustained simply because the statute imposing it applies alike to the people of the state enacting such a statute."

In *Darnell & Son v. Memphis*, 208 U. S., 113, the state statute was held void which imposed a tax on persons not residing within the state who engaged in selling imported liquor while no tax was imposed on those selling domestic liquors. The court said that while the state had taxed articles imported from another state after the same had become massed with the general property within the state this rule had—

"always expressly excluded the conception that a state could, without directly burdening interstate commerce, discriminate against such property by imposing upon it a burden of taxation greater than that levied upon domestic property of a like nature."

In *Voight vs. Wright*, 141 U. S., 62, the State of Virginia had passed a law requiring an inspection of all flour brought into the state and imposing a fee therefor, and providing for **no inspection of home flour**, was declared to be a discrimination against the products and industries of other states in favor of its own, and so unconstitutional and void.

No argument is needed to show that the rules governing interstate commerce apply as well to that entering as that leaving the territory of a state. Upon this a well-known writer (Cook on the Commerce Clause, Section 61), expresses himself as follows:

"Although the question of the validity of restrictions imposed under authority of a state mere fre-

quently arises with reference to transportation out of the state, it seems clear enough that, so far as concerns such question, there is no substantial distinction between transportation into and transportation out of the state, whether of property or of persons."

This court has, in a recent case, confirmed the statement of this author. In the case of *West vs. Kansas Natural Gas Co.*, 221 U. S., 229, *supra*, Mr. Justice McKenna, in delivering the opinion of the court declaring invalid a statute of Oklahoma which restricted the **exportation** of natural gas, said, 221 U. S., at 262:

"This discrimination is beyond the power of the state to make. As said by the Court of Appeals in the eighth circuit, no state can, by action or inaction, prevent, unreasonably burden, **discriminate against**, or directly regulate, interstate commerce, or the right to carry it on."

See also *Coe vs. Errel*, 116 U. S., 517.

## VI.

### THE STATUTE OF WEST VIRGINIA DISCRIMINATES AGAINST INTERSTATE COMMERCE IN NATURAL GAS.

The manifest intent of the statute is that the wants of consumers in West Virginia shall be fully satisfied out of the supply of gas available, in preference to the consumers in other states. Its necessary effect is that the consumers in other states can obtain only what is left after the wants of West Virginia consumers are fully met. The consequence of the enforcement of the statute will be

not merely a reduction of the total amount of gas available for consumers outside of the state by the amount diverted to consumers within the state but such irregularity and uncertainty in the supply available for outside consumers as will in large measure forthwith and eventually altogether make it impracticable for them to continue the use of natural gas.

The intent of the statute appears (1) from a consideration of the nature and conditions of the business to which it applies, (2) from the history of the events attending the enactment of the statute and (3) from the averments of the answer interposed by the State of West Virginia.

(1) The system of pipe lines is a natural development. Companies organized for the distribution of natural gas in centers of population have sought their supply further and further afield as the local supply has become exhausted or, by reason of increased demand, has become inadequate. The owners of gas producing territory have sought more remote markets for the gas which they have produced in excess of the requirements of the markets nearer at hand. The growth of the system has been substantially independent of state lines, the most available fields or most favorable markets being sought without reference to their location upon either one or the other side of a state line. In some cases the same company distributes gas in two or more states. In other cases the companies in one state turn over gas for distribution in other states. There are a multitude of contracts and relations between the companies, which have grown up in the ordinary course of business development and which have been hereinbefore referred to.

In the course of events West Virginia has become a great source of supply for the other states. There has been no discrimination against her in those cases where gas has been taken out of the state by public service corporations operating both within and without the state; the customers within and without the state have been treated alike. In nearly all of the contracts under which West Virginia gas has been sold by West Virginia companies to other companies for distribution, the contracts of sale have reserved a preference for the domestic consumers of the selling companies. The business is regulated by principles that are the outgrowth of the peculiarities of the business. Inasmuch as the demand for domestic consumption, that is to say, for heating houses and other domestic uses, varies enormously from one season of the year to another and even from day to day and the demand for domestic purposes must always be met if the business is to continue, a preference is always given to domestic consumption over industrial consumption. If the weather is very cold or there is any other cause of shortage, the industrial consumption is cut down or cut off in order that the domestic consumption may be maintained. This principle has prevailed throughout West Virginia, Pennsylvania and Ohio.

The production of natural gas and the capacity of the transportation systems are not more than sufficient generally to meet the domestic demand in periods of cold weather. As an economic proposition, it would be impossible to make them so. The consequence is that everywhere in periods of very cold weather, all available gas

is necessary to supply the domestic consumption. When the West Virginia statutes declares that the wants of West Virginia consumers, industrial and miscellaneous as well as domestic, shall be fully supplied at all times, the necessary meaning is that in periods of cold weather the wants of West Virginia consumers must be supplied at the expense of consumers in other states because, (a) there is no source from which the gas can be obtained except by a curtailment of the amount going into other states and (b) because if the first section of the statute does not mean this it adds nothing to the existing public service law. See the West Virginia Public Service Act, Sections 4, 5, 7 and 23, found on pages 55, 56, 57 and 67, respectively, of the defendant's answer. See also *Carnegie Natural Gas Co. vs. Swiger*, 72 W. Va., 557, 46 L. R. A., N. S., 1073.

(2) The circumstances preceding and attending the enactment of the statute may properly be referred to to show its intent. The testimony of Governor Cornwell of West Virginia (Record, pp. 1195, 1196), hereinbefore referred to, shows that the agitation for this statute began with the manufacturers and other consumers around Clarksburg, West Virginia, and that with the approach of cold weather, the season during which the gas companies have great difficulty in furnishing an adequate supply of gas even for domestic consumers, these manufacturers sought to have relief from the shortage of the gas supply for manufacturing purposes, by the enactment of this statute. It is apparent, then, that those who sought the enactment of the law, and the legisla-



ture which enacted the law, must have intended that the manufacturing interests of West Virginia should be furnished an adequate supply of natural gas at the expense even of domestic consumers in other states. The discrimination, then, which is apparent in the language of the statute, is equally apparent in its history and the circumstances surrounding its enactment.

(3) The answer declares that the purpose of the statute is to provide for the requirements of the inhabitants of West Virginia. It declares whatever effect the enforcement of the statute has on the inhabitants of other states is direct and incidental. The answer also, however, declares that there is a shortage of natural gas in periods of cold weather; that the situation has to be met by a curtailment either of the use to which gas is put or of the area over which it is distributed; that the inhabitants of West Virginia have a prior claim upon gas originating in West Virginia and, in effect, that the statute is enacted to enforce this prior claim.

The consequence of the enforcement of the statute will, of course, be that on cold days when the West Virginia domestic consumption will rise to its peak the industrial consumption in West Virginia will not be cut down or cut off but will continue at the expense of the domestic consumption in other states. But the effect of this will not be limited to depriving Pennsylvania and Ohio of the amount of additional gas consumed in West Virginia. If the effect were only to retain for use within the state ten per cent. of the gas now going out of the state, this would probably be enough to completely ruin the busi-

ness of distributing gas for domestic purposes outside of the state. The reason is that this ten per cent. would all be retained during a few days of great severity and the domestic service which would be liable to fail in severe weather would therefore be useless in all weathers.

That the fulfilment of the requirements laid down in the statute in question would be at the expense of the gas consumers in other states now dependent upon West Virginia gas for their supply, is shown conclusively by the determination of the Public Service Commission of West Virginia in its decision of the case of Kelly Axe Mfg. Co. vs. United Fuel Gas Company, P. U. R. A. 289. At page 294 of this report the Commission said of the defendant, The United Fuel Gas Company, which is, as appears from the record in this case, one of the largest producers and transporters of natural gas in West Virginia:

"The defendant delivers its gas to its consumers in West Virginia and to the distributing companies in Ohio through one system of pipe lines and from the same gas fields in West Virginia. It appears from the record that the defendant has a sufficient production or supply of natural gas in the State of West Virginia to furnish a reasonably adequate supply of gas to all of its consumers in the State of West Virginia. It does not affirmatively appear from the record that the defendant has a sufficient supply or production of gas in the State of West Virginia to furnish a reasonably adequate supply of gas to all of its consumers in West Virginia without interfering with the supply of gas demanded of the defendant for the consumption of the distributing companies in the State of Ohio."

The purpose of the statute, as disclosed on its face and by the averments of the answer, is to regulate interstate commerce in natural gas to the advantage of West Virginia and at the expense of the other states. It gives to all industrial consumers in West Virginia and also to local public service companies which have not maintained their sources of supply an option to be exercised at any time upon the gas otherwise available for distribution in other states.

The principle of the entire statute is the full supply of the wants of the residents of West Virginia at the expense of the residents of other states. The statute deals with an industry in which the available supply of gas is distributed by the different agencies concerned among their customers, without regard to state lines and according to equitable principles that have become generally established. It seeks to establish in place of this method of distribution a scheme by which the residents of West Virginia will in every respect have a preferential right in West Virginia gas.

There is no doubt that the West Virginia statute is intended to work a discrimination in favor of the inhabitants of West Virginia and there is no doubt that its practical effect would be to place the inhabitants of other states at a very great disadvantage in comparison with West Virginia residents. Instead of a system under which consumers of natural gas everywhere bear their share of any shortage, according to equitable principles, the statute would establish a system by which the entire hardship due to a shortage must be borne by the inhab-

itants of other states to the exoneration of the inhabitants of West Virginia. Because the statute intends and in its practical operation would bring about a discrimination against interstate commerce, it is void as a direct burden upon such commerce. It is not necessary to the position of the complainants to maintain that the statute in its practical operation would entirely prohibit the exportation of gas from West Virginia, as was the case with the statute under consideration in *West v. Kansas Natural Gas Co.*, 221 U. S., 229, nor is it necessary for the plaintiffs to maintain that the regulation of interstate commerce in natural gas is so exclusively within the domain of congress as to render void every state action in any way affecting such commerce. The fact that the statute works an intentional and substantial discrimination condemns it equally whether or not the discrimination is in degree equivalent to prohibition. The same element of intentional and substantial discrimination makes it unnecessary to consider just where the line is to be drawn between what a state may and may not validly do in the way of regulations incidentally affecting interstate commerce in natural gas.

In *Pennsylvania Gas Co. v. Public Service Commission*, 252 U. S., 23, it was held that the Public Service Commission of New York, in the absence of legislation by congress, had jurisdiction over the rates charged to local consumers by a public service company bringing in its gas from another state. But there is no question that the action of the Public Service Commission would have been void had it sought to compel the company to pre-

fer its New York consumers over its consumers in other states.

On page 33 of the answer the defendant admits that the enforcement of the statute will "indirectly and incidentally diminish" the supply of gas transported to Ohio, unless the production of gas be increased, which the pleadings admit and the evidence shows to be impracticable. The naive suggestion is made at this point in the answer that the answer to the question, "Whether or not the quantity thereof transported to, or for use in Ohio or any other state will be appreciably decreased will depend in a large degree upon the apportionment of the gas transported from West Virginia by said seven companies among the several states, **other than West Virginia**, desiring to consume the same." This is another way of saying that, after West Virginia has secured her needs and "desires" she is quite willing that the state which has the next chance at the supply may adopt similar measures to secure her wants.

"And yet we have said that 'in matters of foreign and interstate commerce there are no state lines.'"

West vs. Kansas Natural Gas Co., *supra*.

The defendant's answer again admits the discriminatory character of the legislation, on page 37 of the answer. In the face of the language of the act in question, which, in Section 1, requires an adequate supply,

"whether for domestic, industrial, or other consumption, **within this state**,"

and in Section 2 requires gas companies to extend their

territory by making connections with other companies which they have never served nor held themselves out to serve, the answer suggests to the State of Ohio that with reference to the inadequacy of supply which exists and will be suggested by the discrimination in favor of west Virginia,

"The remedy therefore must be the contraction by internal regulation of the State of Ohio, of the territorial scope of service of distribution and of the number of its consumers."

Defendant's answer, page 37. The discrimination is deliberate, intentional, but accompanied with humanitarian suggestions as to how to avoid its inevitable consequences.

The statute does not lay down any general rule of public service duty. It requires that owners and transporters of gas disregard all known rules of public service duty. Its discriminatory purpose and effect are obvious in the following provisions:

1. It does not make nearness to the source of production the test as to whether a consumer or community shall have a preferred right to a gas supply. It makes state lines the controlling thing. All persons and communities **inside the state** shall be fully supplied before any gas is transported outside the state. Distance is immaterial, and the state line is made the point of division between those whose rights are preferred and those whose rights are disregarded. It will be noted that, so far as persons and communities inside the state are concerned, the test of the right to service is, by the second

section of the statute, made to depend upon the ability of the gas company to adequately supply its present consumers and communities inside the state, and no new consumers need be connected unless there is a surplus.

2. Priority of time of connection with the lines of the gas company gives no right whatever to companies or consumers or communities located **outside the State of West Virginia**. **Inside the state**, as we have just pointed out, priority of connection with the lines gives an absolute priority of right to service and no new communities or consumers need be connected unless there is a surplus beyond an adequate supply for present consumers.

3. All consumers "**within this state**" are entitled to have their wants and "**desires**" fully supplied for every purpose "whether for domestic, industrial or other consumption," before even the most preferred class of consumers, namely, the domestic consumers, outside the state are entitled to a single foot of gas. It will be observed here that this discrimination is in complete violation of what West Virginia herself recognizes as public utility duty. From the testimony of Mr. Lewis, a member of the Public Service Commission of West Virginia (record, page 1298), it is shown that by the rule of the Public Service Commission of West Virginia, in case of a shortage, domestic consumers are preferred and industrial consumers are shut off. That is the rule, then, "**within the state.**"

These discriminations show clearly that it was not the purpose, and will not be the effect, of the statute in question to lay down any rule of public service duty generally

applicable "with eyes blinded to state lines." In every application of the statute, the duty laid down ends at the state lines, and, by consequence, requires the contrary treatment by these companies of their consumers beyond the state lines.

We conclude, then, upon this point, that, even though the statute in question should be deemed to be of such a nature that it would fall within the general scope of class 2, according to the classification made by this court in the case of *Covington Bridge Co. vs. Kentucky*, 154 U. S., 204, nevertheless, it is clearly unconstitutional because its whole purpose and effect is to discriminate against the movement of natural gas in interstate commerce and the rights and privileges of consumers of natural gas, located outside the boundaries of West Virginia, the discrimination being made to depend solely upon the location outside the state.

No gas company could comply with this statute, without locating at the point where its lines cross the state lines, a means for the physical stoppage of the flow of natural gas. Its duties with reference to two consumers, neighbors, would be entirely different, if those neighbors were on opposite sides of the state line, and the only method by which the gas company could observe the provisions of the statute would be by installing a gate or valve in its lines between these two consumers so that it could supply the intrastate consumer adequately for all purposes "whether for domestic, industrial or other consumption," before his neighbor across the state line would be entitled to a foot of gas. **It should be noted that**



o claim is made that this statute is a conservation measure. It is not, of course, since its enforcement would require that the producing gas companies, in order to comply with its provisions, and at the same time attempt to meet their legal obligations and public service duties to their millions of consumers in states other than West Virginia, and to protect investments worth hundreds of millions of dollars in those states from practically immediate destruction, should produce gas from all of their reserve territory as rapidly as possible. The consequence could be, of course, a wasteful orgy of gas consumption which would in a very short time completely consume the available supply, and the sooner destroy millions of dollars in value of property both inside and outside the state of West Virginia.

## VII.

THE STATES HAVE NO RIGHT TO DEFINE THE SUBJECTS OF INTERSTATE COMMERCE, BUT THAT DEFINITION MUST BE MADE BY THE COURT, IN ACCORD WITH THE GENERAL UNDERSTANDING OF THE COMMERCIAL WORLD.

In the first paragraph of Section X. of the answer of the State of West Virginia appears the following language:

"While this defendant admits that gas is or may be an article of interstate commerce, yet this defendant denies that gas placed in mains or pipes by public service gas companies, is either in interstate commerce or a legitimate article of interstate commerce,

unless and until it has reached the point where it is no longer subject to the public service in West Virginia, and the duties imposed by law upon public service gas companies have been observed and performed by them; and denies that the requirement of the performance or observance of the duties owed by such companies is an interference with interstate commerce or a burden thereon."

This statement of the answer shows that the legislation in question is an attempt on the part of West Virginia to define, in accordance with its own peculiar views, the proper articles of interstate transportation. This is an expedient which has been often tried, in order to evade the commerce clause of the constitution, but it has always failed, as this must fail, since it would amount to a nullification of this clause.

In the case of *Bowman vs. R. Co.*, 125 U. S., 465, this court held that the question whether an article is or is not subject of commerce is to be determined by the usages of the commercial world, and does not depend upon the declaration of any state. In that case it was held that the State of Iowa could not forbid the transportation of liquor into its territory notwithstanding the prohibition laws of that state. Mr. Justice Matthews, in the opinion in that case, said:

"Can it be supposed that, by omitting any express declarations on the subject, congress has intended to submit to the several states the decision of the question in each locality of what shall and what shall not be articles of traffic in the interstate commerce of the country? If so, it has left to each state, according to its own caprice and arbitrary will, to discriminate for or against every article grown, pro-

duced, manufactured, or sold in any state, and sought to be introduced as an article of commerce into any other. If the State of Iowa may prohibit the importation of intoxicating liquors from all other states, it may also include tobacco, or any other article, the use or abuse of which it may deem deleterious. It may not choose, even, to be governed by considerations growing out of the health, comfort, or peace of the community. Its policy may be directed to other ends. It may choose to establish a system directed to the promotion and benefit of its own agriculture, manufactures, or arts of any description, and prevent the introduction and sale within its limits of any or all articles that it may select as coming into competition with those which it seeks to protect. The police power of the state would extend to such cases, as well as to those in which it was sought to legislate in behalf of the health, peace and morals of the people. In view of the commercial anarchy and confusion that would result from the diverse exertions of power by the several states of the Union, it cannot be supposed that the constitution or congress has intended to limit the freedom of commercial intercourse among the people of the several states."

\* \* \*

The doctrine of the Bowman case has been approved in *Leisy v. Hardin*, 135 U. S., 100, and *Long vs. Michigan*, 135 U. S., 161. See also *Adams vs. Kentucky*, 214 U. S., 218. The fact that this and other courts have repeatedly held natural gas to be a legitimate object of commerce and that it is regarded as a desirable commodity by all persons who can get it, and that all of the litigation upon the matter in the various courts has been caused by a desire to keep this valuable commodity, and to restrict the exportation of it, while in no case has there been any

effort to prevent the importation of it, clearly stamp natural gas as a legitimate commercial commodity. It can not be classed with diseased animals and meats, contraband of commerce, while states are striving for the right to share in it.

#### VIII.

#### THERE IS NO PUBLIC SERVICE DUTY OWED TO THE CONSUMERS INSIDE THE STATE OF WEST VIRGINIA WHICH JUSTIFIES THIS LEGISLATION PREVENTING OR RESTRICTING THE INTERSTATE TRANSPORTATION OF GAS.

It is claimed, on page 36 of the defendant's answer, the language of which has been hereinbefore quoted, that the fact that the possessors of gas, inside the state will be, under the act in question, burdened with a statutory duty to give a preference to consumers "within the state," and that therefore only such amount of gas as may remain after that duty is fulfilled is the legitimate subject of interstate commerce. This claim assumes the constitutionality of the legislation, and seeks to justify the restriction upon interstate commerce by pointing to the statute, when the validity of the statute is the whole question in this litigation.

It cannot be seriously claimed, even if there would be any advantage in so claiming, that the statute in question is merely declaratory of the common law relating to public service duty. One of the chief objects of the common law of public service was the prevention of dis-

crimination by a public service company. The act in question **requires discrimination** against the consumers outside the state, and seriously punishes a refusal to discriminate against them. The discriminatory nature of the statute has been discussed by us more fully in Division VIII. of this brief, *supra*.

The case of Vandalia Coal Co. et al. vs. Special Coal and Food Commission of Indiana et al., 268 Fed., 572, decided on Nov. 27, 1920, by the District Court for the District of Indiana, consisting of Baker and Page, circuit judges, and Anderson, district judge, bears strongly upon this question. The first two paragraphs of the syllabus of that case are as follows:

"The Indiana Coal and Food Commission law and orders issued thereunder, requiring coal mines which had contracted to deliver their coal outside the state to sell the same to concerns within the state, is an interference with interstate commerce, and an interlocutory injunction will issue against its enforcement.

Orders of the Indiana Special Coal and Food Commission requiring coal mines to deliver coal to specified concerns within the state, which impair contract obligations of coal mines which had otherwise contracted for their output, are unconstitutional, and will be temporarily enjoined."

The opinion of the court in that case shows that the court assumed, for the purposes of the decision, that the distribution of coal could be regulated by the state substantially as a public utility, yet the court holds that such regulation can not be permitted to interfere with

the right of the owners of coal to transport it beyond the state if they so desired. The court said, in its opinion:

"First. That the operation of the statute, as indicated by the orders of the commission, is a direct interference with interstate commerce. When the coal is severed from the ground it becomes an article of commerce, and the owner of that commodity, under the commerce clause of the federal constitution (Article 1, Section 8), which recognizes no state lines, has the right, so far as the state is concerned, to sell and to contract to sell his entire output to citizens of other states. The orders are also an interference with interstate commerce by reason of the showing in the bill that the output of three of the five mines contracted to the Pennsylvania Company, an interstate carrier, under a contract meeting the approval of the Interstate Commerce Commission, which approval carries an implied finding of fact that the coal, so used, is directly consumed in, or in aid of, interstate commerce."

The preliminary assumption made by the court puts the case on all fours with the case at bar. It was a case of an attempt by the state, in the exercise of its powers of regulation over a public utility enterprise to require that enterprise to fully supply all the demands of consumers inside the state, for its product, thus preventing the transportation out of the state of so much of its product as should be demanded inside the state. Thus it appears that state line barriers can not be erected under the guise of requiring adequate service from a public service corporation. The supposed self-interest which would demand that residents of Indiana be given a favored position with reference to the coal produced in that state, and the residents of West Virginia be given a favored posi-

tion with reference to the natural gas produced in that state, is an aggravated form of the same supposed self-interest which has prompted the enactment of every piece of legislation held invalid by this court as in conflict with the commerce clause of the constitution.

The *Vandalia Coal Co.* case, *supra*, involving the statute of Indiana, is significant in another respect. This court, in the case of *West vs. Kansas Natural Gas Co.*, *supra*, decided in 1911, said:

"The statute of Oklahoma recognizes it to be a subject of intrastate commerce, but seems to prohibit it from being the subject of interstate commerce, and this is the purpose of its conservation. In other words, the purpose of its conservation is, in a sense, commercial, the business welfare of the state, as coal might be, or timber. Both of those products may be limited in amount, and the same consideration of the public welfare which would confine gas to the use of the inhabitants of a state would confine them to the inhabitants of a state. If the states have such a power, a singular situation might result. Pennsylvania might keep its coal, the northwest its timber, the mining states their minerals. And why may not the products of the field be brought within the principle? Thus enlarged, or without that enlargement, its influence on interstate commerce need not be pointed out. To what consequence does such power tend? If one state had it, all states have it; embargo may be retaliated by embargo, and commerce will be halted at state lines. And yet we have said that 'in matters of foreign and interstate commerce, there are no state lines.' "

The language quoted was prophetic. It scotched the tendency to build commercial barriers out of the doctrine of conservation, but now the same tendency arises, to

build a commercial barrier out of a supposed duty of a public utility enterprise to serve adequately all of its consumers who happen to live on one side of a state boundary line, disregarding all others. The consequences of this doctrine, should it prevail, would be fully as bad as the ones pointed out in the *West* case, *supra*. When it is remembered that more and more enterprises which have been in the past free from public regulation, are now made by legislation the subject of such regulation, which practically puts them within the field of so-called public service companies, it is apparent that the statute involved in this case is as perilous to the doctrine that we are one country, commercially, as were the statutes interdicted by this court in any of the epoch-making cases involving the commerce clause. Shall the latest weapon created to serve state self-interest, "the adequate performance of a public service duty," be permitted to prevail against the principles which have withstood the most ingenious attacks since the constitution was adopted?

The possibility that many enterprises now not regulated may be lawfully brought within the field of public service enterprises is well shown by the language of this court in the case of *German Alliance Insurance Company vs. Lewis*, 233 U. S., 389, where this court reviewed the cases from *Munn vs. Illinois*, 94 U. S., 113, and commented upon all of them as follows:

"The cases need no explanatory or fortifying comment. They demonstrate that a business, by circumstances and its nature, may rise from private to be of public concern, and be subject, in consequence, to governmental regulation. The underlying



principle is that business of certain kinds hold such a peculiar relation to the public interest that there is superinduced upon it the right of public regulation."

The field has been farther extended since that time and will no doubt be still farther extended as the public interest demands. But it is obvious that if the statute in question here shall prevail, a dire consequence may follow from each such extension, which involves the subject matter or the facilities for interstate commercial intercourse.

The numerous cases in this court involving the question of the right of a state to compel the stopping of interstate trains are in accord with this view. A number of such statutes have been upheld upon the specific ground that they required no more than adequate local service, to which the communities inside the state are, of course, as much entitled as communities outside the state, since the railroad has held itself out to serve all communities where stations are established. *L. S. & M. S. Ry. vs. Ohio*, 175 U. S., 285; *Mo. Pac. Ry. vs. Kas.*, 216 U. S., 262. It will be observed, however, that the rendering of adequate local service by such a utility as a railroad, as to which there are no physical limitations which prevent the expansion of its facilities as the demands upon it increase, need not at all interfere with its adequate rendering of interstate service. The railroad can handle the local service by local trains, if there is a reasonable demand for such service, and this court has held in numerous cases that if a sufficient local and connecting service is supplied by local trains, then interstate trains may not

be compelled to make stops which would unduly interfere with interstate transportation. *Ill. C. Ry. v. Illinois*, 163 U. S., 142; *Cleveland, etc., Ry. v. Illinois*, 177 U. S., 514; *Miss. R. Com. v. I. C. Ry.*, 203 U. S., 335; *Atlantic C. Line v. Wharton*, 207 U. S., 328; *Herndon v. Chicago, etc., Ry.*, 218 U. S., 135. In these cases the adequate rendering of local service is an aid to interstate commerce rather than an interference with it. However, in the case of a product limited in quantity, such as natural gas, and as to which, unlike a railroad, additional intrastate service cannot be furnished except directly at the expense of interstate service, then certainly there will be no preferential right given to a consumer simply because he happens to be located inside, rather than outside, the boundary line of a particular state. The same rule would doubtless be applied to the railroad cases, if a case should arise in which the rendition of full intrastate service would prevent the rendition of equivalent interstate service. In the case of *Miss. R. R. Com. vs. Ill. Cent. R. R.*, 203 U. S., 335, Mr. Justice Peckham, delivering the opinion of the court, said, with reference to the two conflicting claims:

“Both claims are to be considered, and after the wants of the residents within a state or locality through which the road passes have been adequately supplied, **regard being had to all the facts bearing upon the subject**, they ought not to be permitted to demand more, at the cost of the ability to successfully compete with its rivals in the transportation of interstate passengers and freight.”

Among the “facts bearing upon the subject” in the case now before the court, as shown by the record, are

these: that there is an insufficient amount of natural gas to supply the "desires" of all persons "within the state" and out, who are drawing upon the lines of these companies and have legal rights to do so; that restrictions must be made; that communities not now on the lines can not, in justice to the consumers already being served, be connected; that in the cold weather the available supply should be given to the domestic consumers, and, even they should, if necessary, be required not to use it for their main heating plants. The legislature of West Virginia "had no regard" for these pertinent facts, but by this act seeks to coerce the gas companies to furnish to **the extent of the supplies of gas produced in West Virginia,** a supply of natural gas reasonably adequate for the purposes, whether domestic, industrial, or otherwise, for which gas is consumed or desired to be consumed, \* \* \* in this state.

The most casual reading of these railroad cases shows that the "desires" of the patrons of the railroads having intrastate facilities have no bearing upon the case. Their • **reasonable needs** are, however, to be supplied, if in so doing the railroad is not disabled from similarly serving its patrons beyond the state.

## IX.

EMINENT DOMAIN—THE FACT THAT THE COMPANIES WHICH TRANSPORT GAS IN INTERSTATE COMMERCE HAVE EXERCISED THE RIGHT OF EMINENT DOMAIN WITHIN THE STATE OF WEST VIRGINIA, OR HAVE ACCEPTED FRANCHISES OR OTHER PRIVILEGES TO WHICH ONLY PUBLIC SERVICE CORPORATIONS ARE ENTITLED, DOES NOT AMOUNT TO A DEDICATION OF THEIR ENTIRE SUPPLY OF GAS TO THE USE OF THE PUBLIC INSIDE THE STATE OF WEST VIRGINIA.

It is claimed, in the fifth division of the defendant's answer, that since the gas companies which transport natural gas which now moves in interstate commerce have claimed and exercised the right of eminent domain in the State of West Virginia and other franchises and special rights which were and are granted only to public service companies, by and under the laws of West Virginia, gives to the public within the State of West Virginia a preferential right in the gas produced and transported by these companies. This can not be the law. The practice of these companies was exactly the same at the time they were granted these rights, privileges and franchises, as is their practice now. The law of West Virginia, then, as does the law of all other jurisdictions, grants these rights to public service companies, as such

at least if they are furnishing a part of their product or service to consumers inside the jurisdiction which grants these rights. It is not necessary, as is conclusively shown by the fact that these companies have been granted these rights by the State of West Virginia, that both termini of their lines or all lines connected with them and served by them, lie inside the state. The Supreme Court of Appeals of the State of West Virginia adjudicated this matter in the recent case of *Carnegie Natural Gas Co. vs. Swiger*, 72 W. Va., 557, at 572, 46 L. R. A., ns., 1073. Miller, J., delivering the opinion of the court, said:

“But it is argued that but few persons are or will be served in West Virginia by the proposed pipe line; that most of the gas is and will be transported into Pennsylvania; that the petitioner is a corporation under the laws of Pennsylvania, and that its principal business is to produce gas and transmit it into that state, and that the sovereign right of eminent domain is properly limited to the service of the people of the state where the power is invoked. While the petitioner is a foreign corporation, it avers and proves its authority to do business in this state. Having obtained authority to do business here, Sec. 30, Chap. 54, Code 1906, confers upon it the same rights, powers and privileges, and imposes upon it the same duties and liabilities, and subjects it to the same rules and regulations, as domestic corporations. *Floyd v. National Loan and Invest. Co.*, 49 W. Va., 327, 54 L. R. A., 536, 87 Am. St. Rep., 805, 38 S. E., 653. Section 24, Chapter 52, of the code provides that ‘such company shall, for the purpose of transporting natural gas, oils and water, be considered and held to be a common carrier, and subject to all the duties and liabilities of such carriers under the laws of this state.’ The petition avers, and the evidence shows, that petitioner is serving many persons in this state with gas. True, but few at present are

being served by the particular line in question, but it avers and proves its willingness to serve all persons applying, subject to its proper rules and regulations. It avers and proves that it has fixed reasonable prices and rates for such service. If the petitioner is serving the people of West Virginia with gas, and all who apply, as it avers and proves, it can not be denied the right of eminent domain because it serves the people in another state into which its pipe lines go. There is not a particle of evidence in the case showing or tending to show, that petitioner has ever neglected its duty toward the people of this state. That but few are shown to be taking gas from the particular line sought to be extended through defendant's land is of little consequence. The petitioner is seeking business. Practically the same objections were interposed to the rights of the petitioner in *Pittsburgh Hydro-Electric Co. v. Liston*, and were met in the same way that we have met them here."

The duty of these gas companies, then, under the law of West Virginia, is the ordinary public service duty to serve adequately all consumers which it has held itself out to serve, either by its practice or by lawful contracts made in that behalf, to the extent of its available supply of the produce furnished. This duty does not begin nor end at state boundary lines. The right of a consumer beyond the boundaries of the State of West Virginia, but on the lines of the company, is just as much entitled to be protected under the public service law as is the right of a consumer inside the State of West Virginia.

## X.

NATURAL GAS IS IN INTERSTATE COMMERCE IF IT IS IN THE COURSE OF TRANSPORTATION TO ANOTHER STATE, ALTHOUGH IT IS MINGLED WITH GAS WHICH IS NOT INTENDED TO BE TRANSPORTED OUT OF THE STATE.

It may be contended that, since most of the gas companies in West Virginia which own and transport the gas which is furnished to consumers in Ohio and other states, also supply gas direct to consumers, or in some instances to distributing companies, inside the State of West Virginia, none of the gas which is transported by these companies is in the course of transportation in interstate commerce. We believe that such a contention, if made, would be so obviously unsound as to hardly require an answer, but, out of an abundance of caution, we discuss the matter at this point.

In the case of *Swift & Co. vs. United States*, 196 U. S., 375, Mr. Justice Holmes made this statement of fundamental principles:

"Commerce among the states is not a technical legal conception, but a practical one, drawn from the course of business. When cattle are sent for sale from a place in one state, with the expectation that they will end their transit, after purchase, in another, and when in effect they do so, with only the interruption necessary to find a purchaser at the stockyards, and when this is a typical, constantly recurring course, the current thus existing is a current

of commerce among the states, and the purchase of the cattle is a part and incident of such commerce. What we say is true at least of such a purchase by residents in another state from that of the seller and of the cattle."

In the case of *Ohio R. R. Commission vs. Worthington*, 225 U. S., 101, 106, 108, (1912), the facts were that coal was being transported by the defendant in error from a coal field in Ohio to the ports of Huron and Cleveland on Lake Erie, from which points the bulk of the coal was to be carried by lake vessels to ports in other states or in Canada. The Ohio Railroad Commission claimed that transportation, as far as the lake ports, was intrastate, and hence fixed the freight rates for this transportation. The court held that the act of the Ohio commission was void, as an attempted regulation of interstate commerce, and Mr. Justice Day, at page 108 of the report, said:

"It is true, as argued by the learned counsel for the commission, that this coal may be accumulated in large quantities at Huron, and only taken out of the accumulated lots from time to time, when it is to be put upon vessels and shipped out of the state; but it must always be remembered that this 70 cent rate applies solely to such coal as is in fact placed upon vessels for carriage to beyond the state points, and as the Circuit Court said, **the substance of things is not changed by the fact that a small part may be unloaded at one of the Ohio islands in Lake Erie.** The situation then comes to this, that the rate put in force is applicable only to coal which is to be carried from the mine in Ohio to the lake, there placed upon vessels and thence carried to upper lake ports beyond the state. By every fair test the transportation of this coal from the mine to the upper lake ports is an interstate carriage, intended by the parties to be



such, and the rate fixed by the commission, which is in controversy here, is applicable alone to coal which is thus, from the beginning to the end of its transportation, in interstate carriage, and such rate is intended to and does cover an integral part of that carriage, the transportation from the mine to the Lake Erie port, the placing upon the vessel and the trimming or distributing in the hold, if required, so that the vessel may complete such interstate carriage."

On page 106 of the same case, Mr. Justice Day said:

"It appears that all the coal shipped at the lake cargo rate remains on the cars of the complainant until unloaded into a vessel, unless it should be diverted en route and devoted to some other purpose, but in that case the lake cargo rate does not apply. For instance, if it should be diverted to commercial use at Huron, the rate on commercial coal, which is \$1 a ton, would govern.

There is testimony to the effect that when the coal leaves the mines it is not known in what vessel it will be loaded, nor to what particular ultimate destination it will go, and that sometimes such coal is sold and vessels arranged for after the coal is at Huron, but it is subject to demurrage charge if it remains on the cars beyond a specified time."

The Worthington case goes much farther than is required by the facts of the instant case. In the Worthington case the normal course of transportation was for the bulk of the coal to be transported interstate, but there were no contracts or other obligations which in fact fixed its destination beyond the boundaries of the State of Ohio. The owners of the coal had the full right, as far as appears, to divert the coal to local uses, and in practice, some of it was so diverted. Nevertheless, the nor-

mal course of transportation was interstate, and the commerce was held to have that status.

This court has held in the cases of *Texas and N. O. R. R. vs. Sabine Tram Co.*, 227 U. S., 111, (1913), and *R. R. Commission of La. vs. Texas and Pacific Ry. Co.*, 229 U. S., 336, (1913), that, when shipments are made to a port, of goods which are in fact, and in the regular course reshipped to a foreign destination, the goods are in interstate commerce, although the bills of lading are local and the goods will have to be reshipped to their foreign destination.

In the case of *Texas and N. O. R. R. Co. vs. Sabine Tram Co.*, *supra*, Mr. Justice McKenna said, at page 130 of the opinion:

"The lumber was ordered, manufactured and shipped for export \* \* \* and the shipment was not an isolated one, but typical of many others which constituted a commerce amounting in the year 1905 to 14,667,670 feet of lumber and in the year 1906, 39,554,000 feet. Nor was there a break in the sense of the interstate commerce law and the cited cases, in the continuity of the transportation of the lumber to foreign countries by the delay and its transshipment at Sabine."

The applicability of this language to the instant case is striking. Here the gas is produced, compressed and shipped for export. The exportation is a constantly recurring process, amounting to billions of cubic feet of gas per year. By every practical conception of the term "interstate commerce" the transportation of this gas is interstate.

And the interstate character of the gas so moved is not

changed though it is, in the state of its production, mingled with gas which is not intended to be transported out of the state or when in the state of its destination it is intermingled with gas of local production.

In the case of *People ex rel. Pennsylvania Gas Co. v. Saxe*, 229 N. Y., 446, the Court of Appeals held that a franchise tax measured by gross earnings, from all sources within the state, could not be imposed upon the business of a Pennsylvania gas company in transporting gas from Pennsylvania into New York and mingled with gas of local production before delivery. The court held the business corresponding to the amount of the foreign gas to be interstate commerce, upon authority of *Pennsylvania Gas Co. v. Public Service Comm.*, 225 N. Y., 397; 252 U. S., 23; *Ratterman vs. W. U. Tel. Co.*, 127 U. S., 411.

Again, in the case of *R. R. Commission of Louisiana vs. Texas and Pacific Ry. Co.*, 229 U. S., 336, **supra**, Mr. Justice McKenna said, after citing the cases bearing upon this question:

"The principle enunciated in the cases was that it is the essential character of commerce, not the accident of local or through bills of lading, which determines federal or state control over it. And it takes character as interstate or foreign commerce when it is actually started in the course of transportation to another state or to a foreign country."

In the case of *Public Utilities Commission vs. Landon*, 249 U. S., 236, at 245, Mr. Justice McReynolds, in the course of the opinion, said:

"Interstate commerce is a practical conception and what falls with it must be determined upon consider-

ation of established facts and known commercial methods."

In *Western Union Telegraph Company vs. Foster*, 247 U. S., 105, (1918), where the point involved was whether stock quotations from the New York Stock Exchange delivered in Boston were in interstate commerce until their receipt at the broker's office in the latter city, Mr. Justice Holmes says, at page 113:

"If the normal, contemplated and followed course is a transmission as continuous and rapid as science can make it from exchange to broker's office, it does not matter what are the stages or how little they are secured by covenant on bond. \* \* \*

Practice, intent and the typical course, not title, or niceties of form, were recognized as determining the character \* \* \*.

It is admitted that the transmission from New York to Massachusetts by the telegraph company was interstate commerce. If so, it continued such until it reached 'the point where the parties originally intended that the movement should finally end.' *Illinois Central R. R. Co. v. Louisiana R. R. Commission*, 236 U. S., 157, 163."

In the case of *Rearick vs. Pennsylvania*, 203 U. S., 507, Mr. Justice Holmes, delivering the opinion of the court, said:

" 'Commerce among the several states' is a practical conception not drawn from the 'witty diversities' (Yelv. 33) of the law of sales. *Swift & Co. v. United States*, 196 U. S., 375, 398, 399. The brooms were specifically appropriated to specific contracts, in a practical, if not a technical sense. Under such circumstances, it is plain that, wherever might have been the title, the transport of the brooms for the

purpose of fulfilling the contracts was protected commerce."

The fact that in some cases the title to the gas changes in the course of the transportation from West Virginia into Ohio, does not prevent the transportation from being considered as interstate commerce. This principle was set forth by this court in *Swift & Co. vs. United States*, 196 U. S., 375, hereinbefore quoted from, in which case Mr. Justice Holmes, delivering the opinion of the court, said, at pages 398, 399:

"Taking up the latter objection first, commerce among the states is not a technical legal conception, but a practical one, drawn from the course of business. When cattle are sent for sale from a place in one state, with the expectation that they will end their transit, after purchase, in another, and when in effect they do so, with only the interruption necessary to find a purchaser at the stockyards, and when this is a typical, constantly recurring course, the current thus existing is a current of commerce among the states and the purchase of the cattle is a part and incident of such commerce. What we say is true at least of such a purchase by residents in another state from that of the seller and of the cattle. And we need not trouble ourselves at this time as to whether the statute could be escaped by any arrangement as to the place where the sale in point of law is consummated. See *Norfolk & Western Ry. v. Sims*, 191 U. S., 441."

See also *Gulf, Colorado and Sante Fe Ry. Co. vs. Texas*, 204 U. S., 403, (1907).

The evidence in this case shows that more than 80 per cent. of the natural gas which enters the lines of the companies which transport gas interstate, is in fact and in

practice taken across the state lines, the remainder, of course, being distributed inside the state. (Record, p. 997). Those percentages are practically fixed by the contracts of these companies with consumers and other companies inside and outside the State of West Virginia, and by their public service obligations inside and outside the state.

The conception that, of a given mass of gas, 80 per cent. of the mass is in interstate commerce, and the other 20 per cent. is in intrastate commerce, is in no sense more difficult to grasp than the conception that of a given tank of oil, or mass of gas, or tract of land, or block of securities, 80 per cent. of the same is owned by A and the other 20 per cent. is owned by B; yet this conception of undivided ownership has been familiar to our law from its beginning.

If interstate commerce is, as this court has frequently said, a "practical conception," no tribunal can say of a mass of gas, of which in fact 80 per cent. is en route interstate, that none of the mass is in interstate commerce. Such a determination would be at best a "witty diversity" which should not be allowed to control important commercial relations.

## XI.

THE ACT IN QUESTION IS VOID BECAUSE IT IMPAIRS THE OBLIGATIONS OF CONTRACTS IN VIOLATION OF SECTION 10 OF ARTICLE 1 OF THE CONSTITUTION OF THE UNITED STATES.

The proof in this case establishes that there are a large number of valid and existing contracts between the State of Ohio and corporations and natural persons who are citizens and residents of that state, which entitle them to a supply of natural gas, either for their own use or for further distribution to the public inside the State of Ohio, and of which contracts the public within said state are the beneficiaries. It also appears from the record that practically all of the municipalities within the State of Ohio are served with natural gas pursuant to contracts made between the municipalities and gas companies under the provisions of Sections 3982 and 3983 of the General Code of Ohio. (Record, p. 590.)

All of these contracts would be immediately impaired, and many of them rendered impossible of performance to any practicable extent, by the enforcement of the act in question. These contracts were all valid and lawful when made, many of them, as we have noted, being made by political subdivisions of the state, pursuant to express statutory authority of the complainant state. The contracts under which gas is furnished by the large inter-

state companies of West Virginia to other companies for distribution in this state uniformly recognize the established rules of public utility duty, by providing for a preferred service to domestic consumers, both in West Virginia and in Ohio in case of a shortage of supply adequate for all classes of consumers, and by providing for a fair apportionment of the available supply among the several communities to which the gas is to be transported. We are aware of the doctrine of this court enunciated in the case of *Hudson Water Co. vs. McCarter*, 209 U. S., 349, at 357, that

"One whose rights, such as they are, are subject to state restriction, cannot remove them from the power of the state by making a contract about them. The contract will carry with it the infirmity of the subject matter. *Knoxville Water Co. vs. Knox*, 189 U. S., 434, 438; *Manigault vs. Springs*, 199 U. S., 473, 480. But the contract, the execution of which is sought to be prevented here, was illegal when it was made."

The contracts shown by the evidence in this case, however, had no infirmity when made. They were contracts looking to a provision of a supply of gas to maintain a valuable public service. They make no discrimination, they amount simply to agreements to produce and supply an amount of gas, so long as it can be produced and supplied, which will justify the other contracting party in making expenditures which will provide facilities for the service of natural gas to communities. They offend against no public utility duty which either party to them owes. They offend only in that they agree to give



natural gas to companies for use outside the State of West Virginia. Upon no theory, except one which assumes the legality of legislation which discriminates against interstate commerce, can they be said to have any infirmity which permits of their being destroyed.

Even assuming the right of a state, as an original proposition, to restrain the exportation of commodities in interstate commerce, nevertheless it could not under our constitutional limitations permit such exportation while expensive channels and facilities for such exportation are being established and contracts are made and property is acquired which depends for its whole value solely upon such continued exportation, and then, suddenly, and without any provision for compensation of losses caused thereby, change its policy and forbid such exportation. *Rebbins vs. Los Angeles*, 195 U. S., 223. Such legislation does not strike at a practice deemed harmful by the legislature, but seeks, for the supposed good of the state, to take the contracts and property of others for the benefit of its own residents. This it cannot do, under our constitutional limitations, without making compensation. The statute in question makes no provision whatever for compensation, nor could it validly do so, as to contracts and property outside the state. *Pine vs. Mayor of City of New York*, 103 Fed., 337; *Holyoke Water Power Co. v. Connecticut River Co.*, 52 Conn, 570; *Farnum v. Canal Corp.*, 1 Summ., 46, Fed. Cas. 4, 675; *U. S. vs. Ames*, 1 Woodb. & M. 76, Fed. Cas. 14, 441; *Rutz v. City of St. Louis (CC)*, 7 Fed., 438.

In spite of the facts, alleged in the defendant's an-

swer, at pages 9 and 10 thereof, that charters or certificates of admission granted by the State of West Virginia to corporations are subject to the express statutory right of the legislature of said state to alter any charter and to alter or repeal any law applicable to the said corporations, nevertheless the contracts and property rights of these artificial persons are not entirely without constitutional protection. *Miller vs. State*, 15 Wall., 478, at 498; *Adirondack Ry. vs. New York State*, 176 U. S., 335. This court has recently held in *R. R. Co. vs. Commission of Wisconsin*, 237 U. S., 220:

“We would be very averse to deciding that without explicit declaration, every general law of the state applicable to corporations is enacted as an amendment to their charters. \* \* \* It is one thing to decide that corporations are subject to the police power of the state, and quite another to hold that every general law is an amendment to their charters.”

This is shown conclusively by the fact that the legislation is equally applicable to “persons” and “firms” as to “corporations.” See Section VII of the act.

## XII.

THE ACT IN QUESTION IS IN VIOLATION OF THE  
FOURTEENTH AMENDMENT OF THE CONSTITUTION OF THE UNITED STATES IN THAT IT  
DEPRIVES THE STATE OF OHIO, AND MANY  
OF ITS CITIZENS AND RESIDENTS, OF PROPERTY WITHOUT DUE PROCESS OF LAW.

The enforcement of the statute in question here, would, as is shown by the evidence hereinbefore discussed, destroy property of the plaintiff state and her citizens to the value of millions of dollars, by rendering that property worthless by cutting off the supply of gas. This amounts to a violation of the rights of the plaintiff and her citizens under the Fourteenth Amendment:

“Nor shall any state deprive any person of life, liberty or property, without due process of law, nor deny to any person within its jurisdiction the equal protection of the law.”

There is neither reason nor authority for holding that the clause relating to life, liberty or property, is limited to the protection of persons within the jurisdiction of the state. It was obviously intended to protect them everywhere from the effects of acts done under state authority. For example, lower riparian owners upon a stream which passes across a state line are not at the mercy of the upper state. The upper state could not validly authorize the impairment of their rights, hence

anyone, even an officer of the upper state, who undertook to impair their rights would be restrained or held liable. In the case of *Pine vs. Mayor, etc., of City of New York*, 103 Fed., 337, it was so held, and the court, Shipman, circuit judge, in his opinion said:

"The statutes of the state of New York do not undertake to give power to condemn land for public purposes which is situate in another state, and if they undertook to confer such power they would be ineffective. *Holyoke Water Power Co. v. Connecticut River Co.*, 52 Conn., 570; *Farnum v. Canal Corp.*, 1 Summ. 46, Fed. Cas. No. 4, 675; *U. S. v. Ames*, 1 Woodb. & N. 76, Fed. Cas. No. 14441; *Rutz v. City of St. Louis (C. C.)*, 7 Fed., 438. Neither is there a Connecticut statute which authorizes the City of New York to exercise any rights of eminent domain over land in Connecticut."

The decree of the Circuit Court was affirmed by the Circuit Court of Appeals, 112 Fed., 98. That decree was reversed in this court, *New York City vs. Pine*, 185 U. S., 93, 22 Supt. Ct., 592, 46 L. Ed., 820, but only upon the ground that the plaintiff was guilty of laches in not earlier pressing his claim for injunction instead of compensation.

See the discussion in 8 *Harvard Law Review*, 136, by G. B. French and J. Smith, of the question of "Power to divert an interstate river."

The authorities just cited show further that a state cannot exercise the power of eminent domain to take or damage property which is outside the jurisdiction of the state, but that question is of no importance here since the statute in question makes no provision for compensation

for the destruction which it would, if enforced, inevitably cause. We are faced, then, by the bald situation of a state, by direct legislative action, seeking to do that which, by its natural and inevitable consequences would destroy or damage property of large value, without the slightest provision for compensation. It is a plain case of a violation of the fourteenth amendment. It could hardly be contended that the state could, validly, within its own jurisdiction provide that the supply of gas which is now, and for many years past has been, conveyed and served to one of its communities, should be cut off from that community and served to another exclusively, the first community being allowed to receive only the surplus which was not desired by the second community. The plain violation of all rules of public service, and the destruction of property which such a law would cause, would clearly make it invalid. It would, we believe, not be valid even though it carried a provision for compensating the persons whose property was damaged, since one public service can not be destroyed by eminent domain simply to set up another of the same kind. And yet the State of West Virginia is seeking, by the act in question, to destroy property and public service in vast amount, because they lie outside the State of West Virginia, in order to improve the condition of consumers inside the state. The destruction of property which would admittedly result from the enforcement of this statute renders this legislation offensive to the fourteenth amendment.

The statement made in Division VII, on page 32, of

the defendant's answer, that the losses and inconveniences, if any, which may result from the enforcement of this act, are and will be **damnum asque injuria** is but an argument in a vicious circle. Such argument would justify any destructive legislation. Of the numerous cases holding that legislation which results in the destruction of innocuous property is invalid under the fourteenth amendment, we cite the following: *Eubank vs. Richmond*, 226 U. S., 137; *Dobbins vs. Los Angeles*, 195 U. S., 223.

### XIII.

#### THE VALIDITY OF THE ACT MUST BE DETERMINED FROM ITS LANGUAGE AND ITS NECESSARY OPERATION AND EFFECT.

The proofs taken in this case show conclusively that the necessary operation and effect of the statute, if enforced, will be to divert to intrastate uses, large quantities of gas which is now being transported from the State of West Virginia into the State of Ohio and other states. The fact that the enforcement of the statute would be harsh and inequitable, and would cause great suffering, inconvenience, and financial loss to the gas consumers outside the State of West Virginia, for the sake of rendering an adequate supply of natural gas to be grossly used in manufacturing industries in West Virginia, and misused in carbon black plants there, might lend some countenance to the contention that the statute would not be enforced to bring about such consequences. The answer

of the defendant on page 40, however, admits that it is its intention to enforce the statute and to impose the penalties therein provided, in case of its violation. However, even though the State of West Virginia should deny its intention to enforce the statute, nevertheless the established rules of construction require that a statute be construed according to its reasonable interpretation, with no regard to any disclaimer on the part of the state enacting it, of its intention to enforce it.

Mr. Justice Harlan, in *Western Union Telegraph Company vs. Kansas*, 216 U. S., 1, in delivering the opinion of the court which declared unconstitutional an act of the State of Kansas, said:

“But it is said that none of the authorities cited are pertinent to the present case, because the state expressly disclaims any purpose by the statute in question to obstruct or embarrass interstate commerce, but seeks only to prevent the telegraph company from entering the field of domestic business in Kansas without its consent, and without conforming to the requirements of its statute. But the disavowal by the state of any purpose to burden interstate commerce can not conclude the question as to the fact of such a burden being imposed, or as to the unconstitutionality of the statute as shown by its necessary operation upon interstate commerce. If the statute, reasonably interpreted, either directly or by its necessary operation, burdens interstate commerce, it must be adjudged to be invalid, whatever may have been the purpose for which it was enacted, and although the company may do both interstate and local business. This court has repeatedly adjudged that in all such matters the judiciary will not regard mere forms, but will look through forms to the substance of things. Such is an established rule

of constitutional construction, as the cases abundantly show."

Mr. Chief Justice Marshall, in *Brown vs. Maryland*, 12 Wheaton, 419, said, concerning such a contention:

"We are told that such wild and irrational abuse of power is not to be apprehended, and is not to be taken into view, when discussing its existence. All power may be abused; and if the fear of its abuse is to constitute an argument against its existence, it might be urged against the existence of that which is universally acknowledged, and which is indispensable to the general safety. The states will never be so mad as to destroy their own commerce, or even to lessen it.

We do not dissent from these general propositions. We do not suppose any state would act so unwisely. But we do not place the question on that ground."

See also *Bethlehem Motors Corporation v. Flynt*, Advance Opinions 1921, page 687, Supreme Court Reporter, July 1, 1921, page 571, in which case it was practically admitted that the statute in question, even if it attempted a discrimination, would in practice be "futile." On this point Mr. Justice McKenna said, concerning this argument of the attorney general of the state:

"May we accept his view of it, that is, regard the condition as a mere *brutum fulmen*, imposing no condition or burden, against the decision of the Supreme Court of the state? The court has assumed its efficacy and regarded it as a legal condition. \* \* \* We are unable to concur in this conclusion. It is a perilous power to concede to the state, and it is immediately manifest that it can be exerted to prevent all commerce of those corporations (or other corporations) with the state except as the commerce



might be through direct personal purchases and importations. In other words, the power can be exerted to exclude the products of those corporations, and every other corporation, if they have, or it has, agents in the state."

The answer of the State of West Virginia does deny that the statute was passed for the purpose of preventing the transportation of gas beyond the borders of West Virginia. (Answer, pages 38, 39). The operation and effect of the statute, however, and not the intention with which it was enacted, have always been held to be the controlling factors.

In the case of *Kansas City Railway Co. vs. Kansas*, 240 U. S., 227, at page 231, Mr. Justice Hughes, in delivering the opinion of the court, said:

"And, further, in determining whether a tax has such a direct relation to interstate commerce as to be an exercise of power prohibited by the commerce clause, our decision must regard the substance of the exaction—its operation and effect as enforced—and can not depend upon the manner in which the taxing scheme has been characterized."

See also to the same effect: *Looney vs. Crane*, 245 U. S., 178, at 187; *St. Louis Street Ry. Co. vs. Arkansas*, 235 U. S., 350, 362.

In *Galveston, etc., Ry. Co. vs. Texas*, 210 U. S., 217, at page 227, Mr. Justice Holmes said:

"Neither the state courts nor the legislatures, by giving the tax a particular name or by the use of some form of words, can take away our duty to consider its nature and effect. If it bears upon commerce among the states so directly as to amount to a regu-

lation in a relatively immediate way, it will not be saved by name or form. *Stockard v. Morgan*, 185 U. S., 27, 37; *Asbell v. Kansas*, 209 U. S., 251, 254, 256."

In the case of *Western Union Telegraph Company vs. Foster*, 247 U. S., 105, *supra*, Mr. Justice Holmes, in delivering the opinion of the court, holding unconstitutional and void an order of the Public Service Commission of Massachusetts, said:

"Acts generally lawful would become unlawful when done to accomplish an unlawful end. *United States v. Reading Co.*, 226 U. S., 324, 357, and a constitutional power can not be used by way of condition to attain an unconstitutional result. *Western Union Telegraph Co. v. Kansas*, 216 U. S., 56; *Sioux Remedy Co. v. Cope*, 235 U. S., 197, 203. The regulation in question is quite as great an interference as a tax of the kind that repeated decisions have held void. It can not be justified 'under that somewhat ambiguous term of police powers.' *Western Union Telegraph Co. v. Pendleton*, 122 U. S., 347, 359; *Leisy v. Hardin*, 135 U. S., 100; *Savage v. Jones*, 225 U. S., 501, 520; *Western Union Telegraph Co. v. Brown*, 234 U. S., 542, 547."

The language used here and the cases supporting it are applicable to the instant case. The consequences of the act in question, as shown by the evidence, would be the prohibition or restriction of interstate commerce, the destruction of property, and the impairment of contracts. These unlawful consequences must, under the rule of the above decisions, invalidate the statute, regardless of the avowals in the defendant's answer that its only purpose is to require adequate service by public service companies.

### CONCLUSION.

By direction and authority of the legislature and the governor of the State of Ohio, this action is brought, seeking to repeal what it regards as an illegal attack upon its rights. While this statute is drawn with great ingenuity, its purpose and effect are obvious. The useful and unoffending property of the state, and the property of those whom the state is bound to protect, worth many millions of dollars, is threatened with destruction. The state's right, and the rights of her citizens and residents to continue to receive natural gas—the cheapest, cleanest and most convenient fuel known for domestic purposes, and upon which fuel they have become accustomed to rely—are threatened with abrupt extinguishment. Contracts, lawful and commended by all when made, for they represented a development highly valuable to the State of West Virginia, and now free from complaint except that their performance still requires the transportation of natural gas out of the State of West Virginia, are threatened with impairment and nullification. These, in the main, will be the consequences of the statute complained of, if it is held to be valid.

The fact that the State of West Virginia is willing to bring down all of these consequences upon a sister state, in fact all states that adjoin her, solely for the commercial advantage of having an adequate supply of gas for gross and wasteful use in industrial plants and for misuse

in carbon black plants, to the deprivation of natural gas for even domestic purposes beyond her state lines, might so justifiably awaken sentiments of resentment in the state so treated, that attempts at retaliation would be expected to follow. This natural consequence of such a law as the one here drawn in question is so obvious that no state, except one highly favored with natural resources, as is the State of West Virginia, would hazard its enactment. However, spurred by her declared self-interest, the State of West Virginia has enacted this remarkable law and is here defending its constitutionality upon the ground that it may require at all times an adequate service by public utilities to all consumers within the territory of West Virginia, regardless of consequences of those across her state lines. This court is asked to discover some magic force and authority in the words "adequate service" which the court has never been able to discover in the words "police power," "state rights," "conservation" or words of similar import, and which shall be made to over-ride the provisions of the constitution of the United States.

The fact that the defendant state may regard itself as so favorably situated that it can "live unto itself alone," granting no favors and asking none, fortunately, does not determine the rights of the State of Ohio. The framers of the constitution were well aware, from their observation of "state" nature, that the states could not and would not give up their powers of making war, of embargo, entering into treaties and diplomatic negotiations with one another, unless they were given in return posi-

tive legal guaranties which would remove the ordinary causes of friction and strife among the several states. These guaranties, so required, were provided by the constitution. That document as interpreted by this court, positively secures to the State of Ohio its rights herein asserted. These rights are deliberately violated by the statute in question. This violation clearly entitles this complainant to the relief prayed for in its bill of complaint.

The State of Ohio further believes that a decision upholding the statute in question would not only cause great inconvenience and suffering, destroy property, contracts and other rights which it is her duty to protect, but would, when pursued to its natural conclusion, seriously endanger the Union itself, by creating a condition of commercial anarchy. The situation is no less critical than that which confronted this court in the earlier cases, now regarded as epoch making, and in which cases, it is now agreed, erroneous decision would have brought disaster. The wisdom and soundness of those decisions have been proven by long experience under them. We believe that a decision upholding this statute would be a departure from and repudiation of the basic principle of those cases and be an abrupt turning backward.

Confident that this, the Supreme Court of the states united under and subject to the constitution, will decree continued maintenance of those basic principles, by holding void this statute, that we may go on, as in the

past, in matters of commerce one and the same people  
and without reference to state lines.

Respectfully submitted,

JOHN G. PRICE,

Attorney General of Ohio.

E. E. CORN,

Special Counsel.

FREEMAN T. EAGLESON,

R. G. ALTIZER,

Of Counsel.

## THERE HAS BEEN NO DISCRIMINATION AGAINST CONSUMERS IN WEST VIRGINIA.

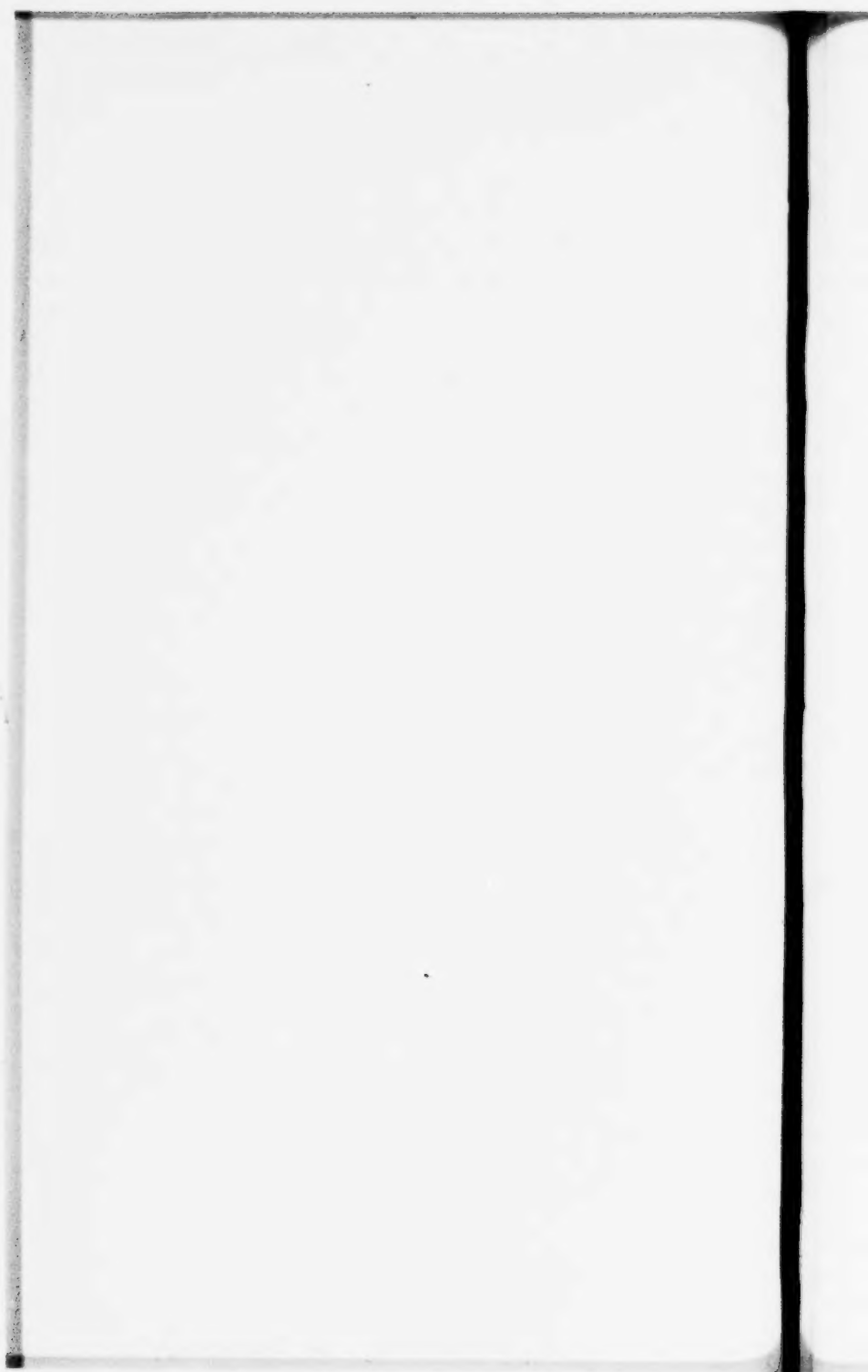
The testimony taken bearing upon the question of whether the gas companies operating in West Virginia have discriminated against their West Virginia consumers shows that such discrimination has not taken place. The average domestic consumer in Charleston, West Virginia, in the year 1919, used 175,000 cubic feet of gas for the year. The average domestic consumer in the city of Cincinnati, Ohio, for the same year, used 84,000 cubic feet of gas; the average domestic consumer in the city of Portsmouth, Ohio, during the same year used 137,000 cubic feet of gas. (Record, page 368).

The testimony of the witness, Anderson, at page 823 of the record, is as follows:

“A. The average annual consumption per domestic consumer for the year 1918, for the different states, is as follows:

West Virginia .....	164.89 thousand cubic feet
Pennsylvania .....	124.34 thousand cubic feet
Ohio .....	110.65 thousand cubic feet
Kentucky .....	87.21 thousand cubic feet
Indiana .....	78.25 thousand cubic feet
22 other states.....	91.80 thousand cubic feet”

The true situation is shown graphically by Pennsylvania Exhibits 42, 43, 44 and 45, prepared by the witness, Wyer, and appearing at pages 1594 to 1597 of the record herein. Copies of these exhibits are inserted herein and show conclusively that the average consumption in West Virginia is and has been much greater than in Ohio.





PENNSYLVANIA EXHIBIT 42.

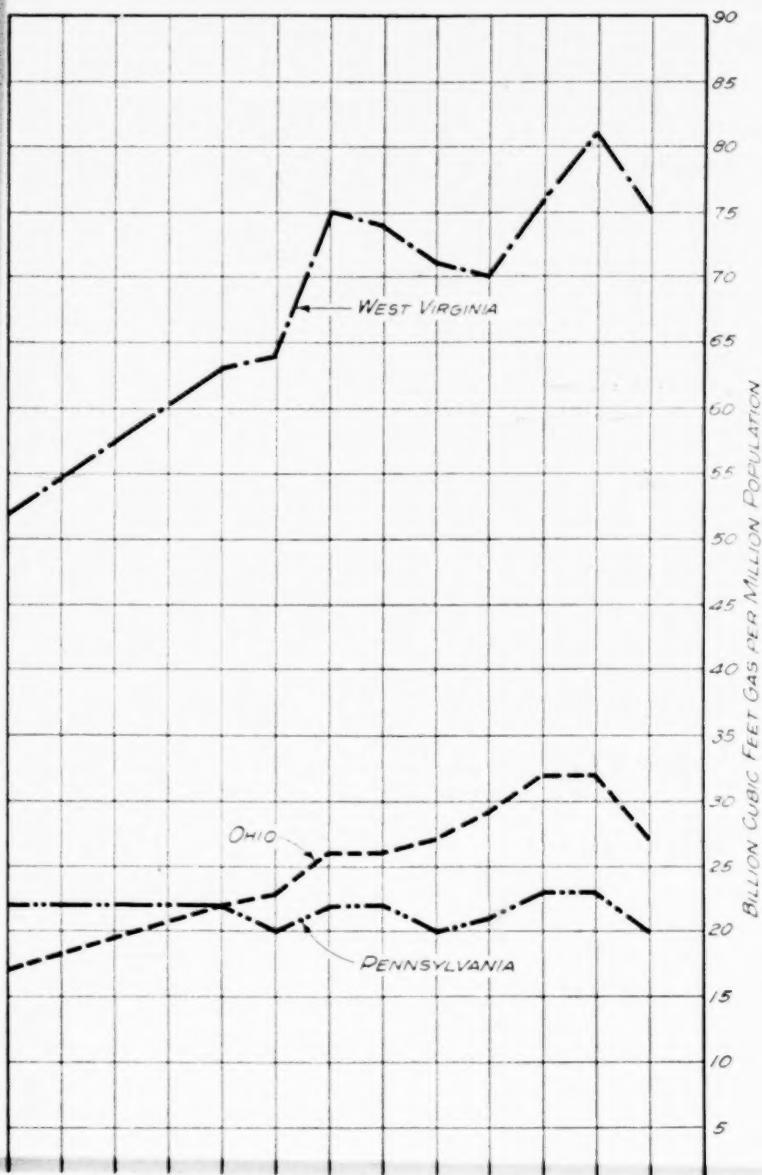
Offered at p. 897 of Printed Record by Witness Wyer.

*Billion Cu. Ft. of Natural Gas Consumption Per 1,000,000  
Population for West Virginia, Ohio, and Pennsylvania.*

**BILLION CUBIC FEET NATURAL GAS CONSUMED  
PER  
MILLION POPULATION  
IN**

**WEST VIRGINIA, OHIO AND PENNSYLVANIA**

The population data were furnished by the Bureau of the Census and the natural gas data by the United States Geological Survey.



PENNSYLVANIA EXHIBIT 43.

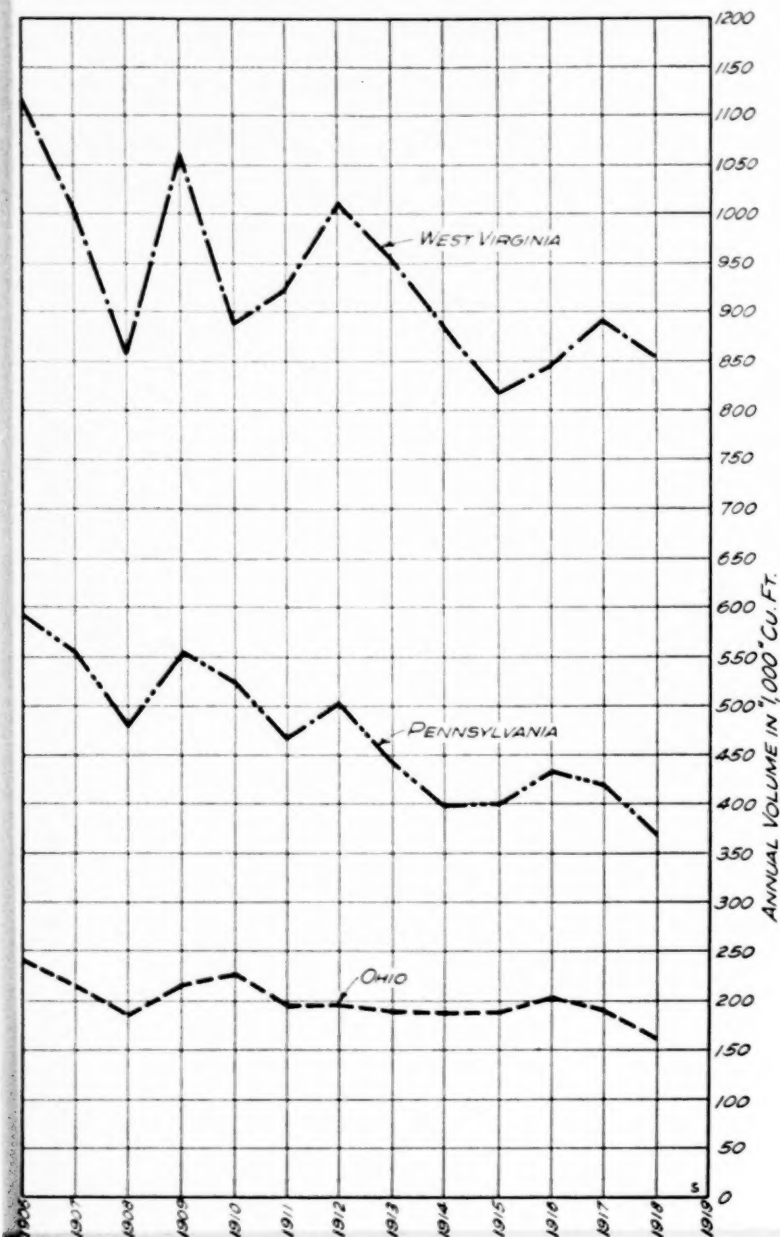
Offered at p. 897 of Printed Record by Witness Wyer.

*Total Natural Gas Consumed Annually per Domestic Consumer  
in West Virginia, Ohio, and Pennsylvania.*

# **TOTAL NATURAL GAS CONSUMED ANNUALLY PER DOMESTIC CONSUMER IN**

## **WEST VIRGINIA, OHIO AND PENNSYLVANIA**

Based on data compiled by the United States Geological Survey.



PENNSYLVANIA EXHIBIT 44.

Offered at p. 897 of Printed Record by Witness Wyer.

*Industrial Natural Gas Consumed Annually per Domestic  
Consumer in West Virginia, Ohio and Pennsylvania.*

**INDUSTRIAL NATURAL GAS  
CONSUMED ANNUALLY PER DOMESTIC CONSUMER**  
IN

**WEST VIRGINIA, OHIO AND PENNSYLVANIA**

Based on data compiled by the United States Geological Survey.



PENNSYLVANIA EXHIBIT 45.

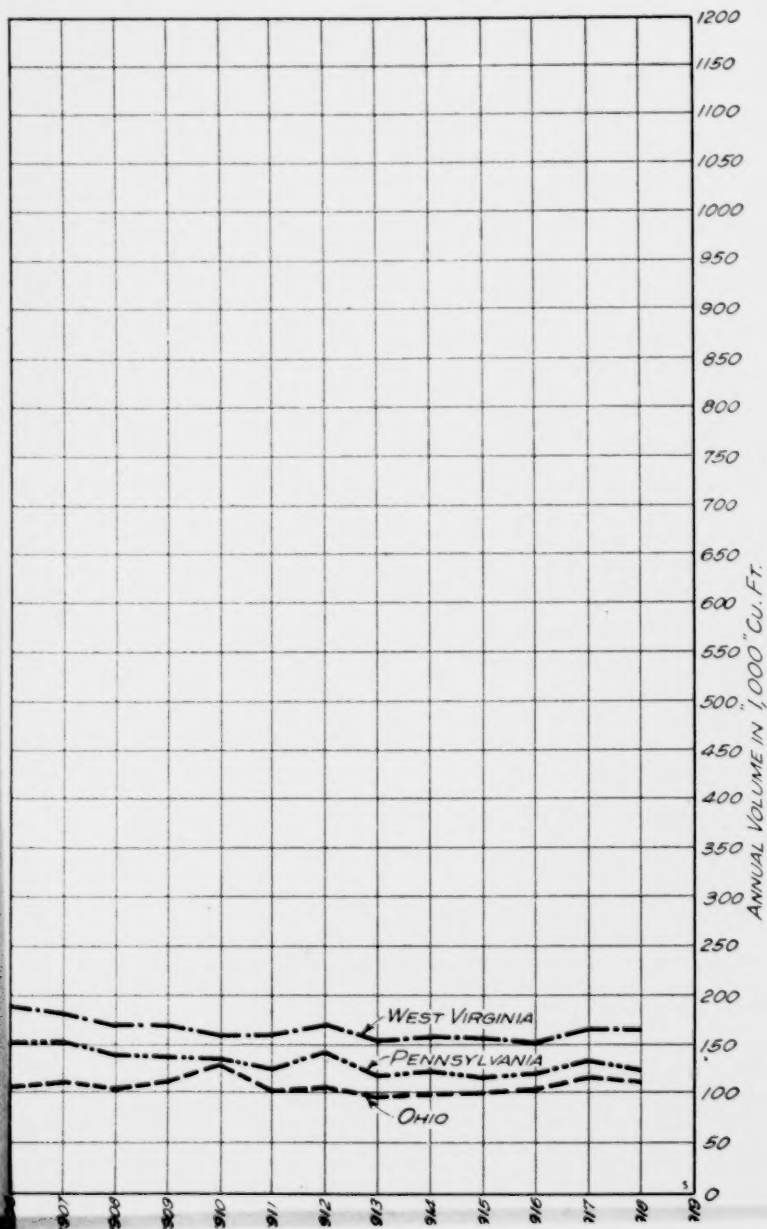
Offered at p. 898 of Printed Record by Witness Wyer.

*Domestic Gas Consumed Annually per Domestic Consumer in  
West Virginia, Ohio, and Pennsylvania.*

# DOMESTIC NATURAL GAS CONSUMED ANNUALLY PER DOMESTIC CONSUMER IN

## WEST VIRGINIA, OHIO AND PENNSYLVANIA

Based on data compiled by the United States Geological Survey.





There is no support whatever in the testimony for the proposition that gas consumers in West Virginia on the lines of these interstate gas companies have not received at least their full proportionate share of the total supply of gas. In fact, the contract between The Hope Natural Gas Company and The East Ohio Gas Company, being Pennsylvania Exhibit 19, and appearing at page 1544 of the record herein, provides, in its seventh paragraph, that the domestic consumers of the Hope Company in West Virginia shall be at all times supplied in full by the Hope Company in preference to consumers of the companies outside the state to which the Hope Company sells gas.

The contracts between The Hope Natural Gas Company and The Peoples Natural Gas Company, Pennsylvania Exhibit 17, (record, p. 1524); the contract between The Hope Natural Gas Company and The Northwestern Ohio Natural Gas Company, Pennsylvania Exhibit 16, (record, p. 1509); the contract between The Mountain State Gas Company and The River Gas Company, Pennsylvania Exhibit 20, (record, p. 1554); the contract between The Hope Natural Gas Company and The Fayette County Gas Company, Pennsylvania Exhibit 21, (record, p. 1560); the contract between The United Fuel Gas Company and The Ohio Fuel Supply Company, West Virginia Exhibit 38, (record, p. 1761), all provide specifically for a preference for the domestic consumers in West Virginia upon the lines of the supplying company or upon the lines of other companies in West Virginia furnished gas by the supplying company. These companies, then, are now giving a preference to West Virginia domestic consumers.

## PRESENT STATUS OF THE AVAILABLE GAS SUPPLY—DECLINE AND SHORTAGE.

There is no dispute as to the present lack of an adequate supply of natural gas and that this inadequacy extends to all the communities throughout the plaintiff states.

It is due to a decline in the old fields, not now supplemented by new discoveries; the gas operators do not know where to turn for new fields. It is also due to the increasing demand through the natural growth of prosperous communities served in all the states involved, and to the enormous demand during war years when the supply was drained by a continuous delivery night and day to industrial plants, pursuant to orders of the United States government. (Record, pp. 333, 334).

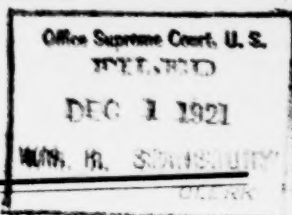
Natural gas is not used only for cooking and hot water heating as is manufactured gas, but is used generally for house heating in grates, stoves and furnaces which in communities using manufactured gas are heated with coal. This fact contributes much to the very great peak load demand which falls upon the natural gas company when cold weather begins. On cold days when the consumer lights his grate, stove and furnace, the demand is from fifteen to eighteen times the demand on warm days. The necessity of conserving gas with which to meet the peak demands, at morning, noon and evening for cooking purposes, is imperative. It is on these cold days that a withdrawal or diminution of the gas supply would cause

extreme suffering, for many communities and thousands of consumers have no substitute heating appliances or substitute fuel. (Quay, 29; Sullivan, 211; Tonkin, 423-424; Angle, 553-562; Reed, 524).

Much of defendant's testimony is made up of statistics to show what proportion of West Virginia gas produced is exported as compared with volumes consumed in the State. As corrected by figures given by witness, Robinson, page 1380, it appears that in 1919, 36 per cent. of the West Virginia production was used in the State and 64 per cent. exported to five other states.

These figures show annual volumes; to get a daily demand it does not follow that the annual volume can be divided by 365 days; on the contrary, the whole issue of this case is focused not upon an average daily or yearly volume, but upon the **cold day** demand. The proof is conclusive that were West Virginia by this statute to obtain a reasonably adequate supply for all its inhabitants and industries, either the entire supply will be taken and the consumer in Pennsylvania and Ohio will get no gas; or such part of the supply will be taken that the service for Pennsylvania and Ohio, for any class of consumers, is completely broken down, and in either case the citizens of those states are the victims of discrimination.





IN THE

# Supreme Court of the United States

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OCTOBER TERM, 1921.

15-16  
Number ~~12~~ Original

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COMMONWEALTH OF PENNSYLVANIA, Complainant

vs.

STATE OF WEST VIRGINIA, Defendant.

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## Brief on Behalf of Complainant.

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GEORGE E. ALTER,  
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A. LEO WEIL,  
*Attorneys for Complainant.*



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**IN THE**  
**Supreme Court of the United States**

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**OCTOBER TERM, 1921.**

**Number 17—Original**

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**COMMONWEALTH OF PENNSYLVANIA, Complainant**

**vs.**

**STATE OF WEST VIRGINIA, Defendant.**

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**Brief on Behalf of Complainant.**

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### **Questions Involved.**

The State of West Virginia in its Answer calls the statute in controversy the "Adequate Gas Supply Act."

Its avowed purpose is to compel all companies, including those engaged in interstate transportation and sale of natural gas, to deliver to West Virginia consumers "domestic, industrial and otherwise" an adequate supply, before they are allowed to transport and deliver any gas to any consumer, either domestic, industrial or others, in any other State.

Does such a statute discriminate against citizens of other States, interfere with and burden interstate commerce, impair the obligation of contracts, deprive citizens of Pennsylvania, Ohio and other States, of their property without due process of law, and deny to the citizens of other States than West Virginia the equal protection of its laws?

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## The Statute in Controversy.

The statute is entitled:

"House bill No. 59. A bill in relation to persons, firms and corporations engaged in the furnishing or required by law to furnish natural gas for public use within this State, to provide remedies for the enforcement of this Act and penalties and punishment for violation thereof, and to extend the jurisdiction of the Public Service Commission and of the courts of this State with respect thereto."

The provisions of the statute particularly involved in this controversy are as follows (the underscore is ours) :

"SECTION 1. That every person engaged in furnishing, or required by law (whether statutory or common law) to furnish, natural gas for public use, or for the use of the public, or any part of the public, whether for domestic, industrial or other consumption, within this state, shall to the extent of his supply of said gas produced in this state, (whether produced by such person or by any other person), furnish for public use within the territory of this state, and for the use of the public and every part of the public within the territory of this state, in or from which such gas is produced, or through which said gas is transported, or which is served by such person, a supply of natural gas reasonably adequate for the purposes, whether domestic, industrial or otherwise, for which natural gas is consumed or desired to be consumed by the public, or any part of the public, within said territory in this state, and

for which said consumer or consumers therein shall apply and be ready and willing to make payment at lawful rates."

"SECTION 2. That in case any person engaged in furnishing, or required by law \* \* \* to furnish natural gas for public use within this state, \* \* \* shall have a production or supply of natural gas which is, or probably will be, insufficient to furnish for such use (for the purposes, whether domestic, industrial or otherwise, for which natural gas is consumed by the public or any part of the public), within the territory in this state served by such person, then and in that event the public service commission shall have authority \* \* \* to order any other person engaged in furnishing, or required by law (whether statutory or common law) to furnish, natural gas for public use within this state, and producing or furnishing natural gas for public use in said territory or transporting the same through said territory, to furnish to such person having such insufficient production or supply, natural gas for the purpose of supplying such deficiency. \* \* \* And whenever \* \* \* the commission shall determine that public convenience and necessity so require, the commission shall have authority to provide for and compel the establishment of a reasonable physical connection or connections between the lines, pipes or conduits of such person having such excess supply of gas and the lines, pipes or conduits of the person having such deficiency of supply, and to require the laying and construction of such reasonable extensions of lines, pipes or conduits as may be necessary for the establishment of such physical connection or connections \* \* \* Provided, however, that no person shall \* \* \* be ordered to furnish natural gas to any other per-

son so engaged in furnishing, or required by law to furnish, natural gas for public use, except to the extent that the person so ordered to furnish natural gas shall, at the time have a production or supply of natural gas in excess of the quantity sufficient to furnish a reasonably adequate supply to his consumers within this state; nor shall any person, by virtue of this section, be ordered to furnish natural gas to any other person \* \* \* if and when the said person having said excess shall, to the extent of such excess, be ready and willing to furnish, and within such time as the commission shall prescribe shall actually furnish, to the consumers within said territory a reasonably adequate supply of natural gas."

SECTION 3. Confers jurisdiction on the public service commission of the state.

SECTION 4. Provides for complaints by persons aggrieved to the public service commission.

SECTION 5. Provides for penalties for violation of Act.

SECTION 6. Provides for recovery of damages for violations of Act.

SECTION 7. Defines persons.

SECTION 8. Provides that sections are separable.

SECTION 9. Repeal of conflicting laws.

The statute in full is printed as Exhibit "A" in the Appendix to this brief on page 149.

### **The Issues Tendered by the Pleadings and the Contentions of the Respective Parties.**

The avowed purpose of the State of West Virginia, by the statute in controversy, and the legal machinery by which it proposes to compel those companies engaged in the interstate transportation of natural gas, to discriminate in favor of West Virginia consumers, and to prohibit such companies from transporting gas out of the State, until after an adequate supply has been delivered to all classes of consumers, domestic, industrial and others, in the State of West Virginia, is set forth with brutal frankness in the Answer filed in this case by the State of West Virginia.

On page three of the Answer, in Paragraph III, it is stated:

“This defendant says that the facts, circumstances and conditions existing before, at the time of and since the passage of said statute and the evils sought to be remedied thereby were and are among others as in this Answer hereafter alleged, and the intention and purpose of the legislature of West Virginia in the passage of said statute were and are as in this Answer hereafter alleged.”

The Answer in said Paragraph, and those following, proceeds to give the history of the development of the natural gas industry in the State of West Virginia. It traces the development of the transportation and sale of gas to other States. It shows how the gas was first disposed of to local communities, and as the quantities found increased, markets in other states were

sought and pipe lines built and the gas was transported and sold in such other States, and that this has continued for many years and admits that "in addition to their business of supplying gas to the public of West Virginia," the large companies "after the construction of their respective pipe line systems aforesaid also engaged and are still engaged in the business of transporting gas to or for consumption in other States."

The Answer then sets forth that while in the inception of the interstate business the production of gas in West Virginia was increasing and there was a large surplus for export and this continued for many years, that this production gradually declined and consumers in West Virginia did not obtain "a reasonably adequate supply of gas." The Answer claims that the shortage of gas supplied to the people of West Virginia "was and is caused by the transportation to or for consumption in other States," and the companies failed to supply a "reasonably adequate service to the public of West Virginia," or "to the local gas companies engaged in the service of said public, under the pretext that they were and are prevented from so doing by the necessities of the gas-consuming populations of said other States."

In Paragraph VI, page 30, the Answer continues:

"Under these circumstances an issue arose between the State of West Virginia and the people thereof on the one side, and said seven companies on the other. On the one hand it was insisted by said State and its people that they were entitled to a reasonably adequate gas supply \* \* \* . On the other hand it was insisted by said seven companies, as they still do insist, that they were and are unable to render additional service or furnish additional gas in West Virginia, either directly to

the public or to the local gas companies therein, because of the alleged necessities of the people of said other States and the contracts aforesaid. And said seven companies further contended as they still do contend, that their gas is private property, which they were and are entitled to dispose of when, where and as they choose, and that they owed no higher duty to the State of West Virginia or the people thereof than to the other States and their gas consuming population.

Confronted with the foregoing, among other, facts, circumstances and conditions, and in the light thereof, the Legislature of West Virginia, at its session of 1919, in the exercise of its police and other powers, enacted the statute complained of in the bill of complaint."

And again in Paragraph IX, page 33, of said answer, the State of West Virginia says:

"While this defendant admits that gas is or may be an article of interstate commerce, yet this defendant denies that gas placed in mains or pipes by public service gas companies, is either in interstate commerce or a legitimate article of interstate commerce, unless and until it has reached the point where it is no longer subject to the public service in West Virginia, and the duties imposed by law upon public service gas companies have been observed and performed by them; and denies that the requirement of the performance or observance of the duties owed by such companies is an interference with interstate commerce or a burden thereon."

And again in Paragraph XV, page 37, of said answer, the State of West Virginia says:

"This defendant admits that among the persons, firms and corporations to which said statute is applicable, and to whom it was designed to apply, are all those who, being engaged in the supply of gas to the public of West Virginia, are also engaged in the transportation of gas into Pennsylvania and other States \* \* \*

The paragraph continues:

"And this defendant says that the West Virginia gas of the persons, firms and corporations in said statute mentioned, required for the reasonably adequate supply of the public in West Virginia, is affected with the use or interest of said public, which is superior and prior to any introduction thereof into interstate commerce, and that this public use or interest cannot be destroyed or limited by the attempt or desire of said persons, firms or corporations to engage in interstate commerce. \* \* \*

This defendant \* \* \* admits that the effect of said statute will be to give to all of the consumers in West Virginia, in said statute mentioned, to the extent of the gas therein mentioned, a reasonably adequate supply of gas, and says that **said gas is affected with the use or interest of said public of West Virginia as in this answer before alleged."**

The answer says in the same paragraph at page 40:

"This defendant admits that many of the gas companies have withdrawn, or attempted to withdraw, altogether their industrial classification, and do not hold themselves out as willing to supply industrial consumers. But this defendant denies that the gas companies supplying gas to the public in West Virginia did or do have the right to

withdraw their industrial classification or service, except to the extent necessary to furnish a reasonably adequate supply of gas to the domestic consumers of West Virginia \* \* \*

Complainant contends that said statute in terms or by necessary operation:

(a) prohibits the transportation of natural gas from West Virginia into Pennsylvania, Ohio and other States, until all of the consumers in West Virginia, "domestic, industrial or otherwise," shall have obtained an adequate supply;

(b) authorizes and empowers the appropriation, for the use of West Virginia consumers, of natural gas which is already in transit in interstate commerce, to consumers in Pennsylvania, Ohio and other States, while in course of transportation through pipe lines passing through portions of West Virginia into Pennsylvania, Ohio, and other States;

(c) authorizes this appropriation in transit without the consent of the owner or transporter, or any contract therefor, and without any agreement as to the amount thereof that will be taken, the terms and conditions under which the same will be taken, or the rates that will be paid therefor;

(d) prevents contracts being made for a supply of gas to be transported from West Virginia into Pennsylvania, Ohio and other States, because the companies will not know nor be able to estimate, from time to time, what if any gas they will be permitted by said State of West Virginia so to transport and to sell, nor the periods during which they will be permitted to transmit and sell;

(e) discriminates against consumers in Pennsylvania, Ohio and other states by giving to all consumers



in the State of West Virginia, domestic, industrial, or other, a preferential or prior right over consumers in other States, without regard to or consideration for the life, health, convenience, comfort, financial losses and property rights of consumers in such other States, or their contracts of purchase of said gas or the rights, duties and obligations of the transporter under contracts made for the sale and delivery thereof;

(f) will increase the demand for gas by consumers in West Virginia so as to appropriate all the gas produced in West Virginia, or at least deplete the supply for such interstate delivery to such an extent that but a small proportion of the gas now being transported from West Virginia into Pennsylvania, Ohio and other States, will be available for such transportation, not enough to justify the continuance of the industry;

(g) requires a reasonably adequate supply to all consumers in West Virginia, industrial and others as well as domestic, and if such gas is needed to make up the deficit of any company supplying gas to consumers of any kind in West Virginia, compels companies to make up such deficit with the gas in transit to consumers in other States by taking the same out of the pipe lines conducting said gas into such other States;

(h) provides that all industrial consumers and others, as well as domestic consumers, in West Virginia, shall be adequately supplied before even domestic consumers in Pennsylvania, Ohio and other States, can get any gas from West Virginia;

(i) will compel every natural gas company in West Virginia to extend its lines and deliveries coincident with the boundaries of the State, and spread its business blanket-like over the whole State even though

by carefully prepared charter limitations and by the previous course of dealing the particular gas company had expressly limited the locality it purposed to supply;

(j) would appropriate so large a proportion of the natural gas now obtained or that could be obtained from West Virginia as to make it impractical, if not impossible, to transport any gas whatever out of said State, and would destroy interstate transportation of gas.

The Bill of Complaint and the Answer define the paramount issues between the parties to this suit substantially as follows:

Complainant contends that the transmission of natural gas from the producing wells of West Virginia to consumers in Pennsylvania, Ohio, and other States, through pipe lines crossing and recrossing State lines, is interstate commerce, and the effect of the so-called "Adequate Gas Supply Act" of West Virginia is to burden and interfere with and practically prohibit and prevent such transmission of natural gas from West Virginia to such other States, and to discriminate in favor of West Virginia consumers and against consumers in other States.

West Virginia contends: that because this natural gas is produced in West Virginia; because public service corporations of West Virginia are transporting the same; because of the obligations of these public service companies to the public of West Virginia; and because this gas is affected with the use or interest of such public which is superior and prior to any introduction of said gas into interstate commerce, therefore if the citizens of West Virginia want this gas, the State of West Virginia has the right to force such companies to deliver an adequate

supply thereof to consumers in West Virginia, before any of such gas can be taken out of the State, by the private owners thereof, for delivery to consumers in other States.

This naive contention of West Virginia is founded upon the assumption that natural gas produced in West Virginia, though it has been reduced to possession by the owner, though it has become an article of commerce, though it has been committed to interstate commerce, nevertheless, that gas is affected with the use or interest of the public of West Virginia which is superior and prior to the right of the owner to market his gas in interstate commerce.

The State of West Virginia vouchsafes no explanation of the "divinity" that doth "hedge" this gas, nor yet what power dread hath drawn "the awful circle" thereabout, so that if this nation "set but a foot within that holy ground" the penalty of paralysis of power is imposed.

Another direct issue between Complainant and Defendant is upon the claim of the State of West Virginia that so unlimited is the power of the State over its public service companies engaged in the transmission, sale and delivery of natural gas that notwithstanding limitations in charters and the long continued and approved course of dealing thereunder whereby companies had limited the territory it purposed to supply, nevertheless the State could compel such companies to cover the whole State and all the inhabitants thereof, natural and artificial, and give to all such inhabitants, natural and artificial, including competitive gas companies, an adequate supply of gas, before taking any of said gas out of the State.

An analysis of the statute will further demonstrate the correctness of the foregoing dissection of the claims of the State of West Virginia, as well as other fatal defects in said statute. Such analysis will be found at page 155 appendix hereto.

Counsel respectfully invite the attention of this Court to a digest of the evidence, printed in a separate volume and herewith submitted, comprising 298 pages.

This digest includes not only the evidence taken on direct examination by the complainant, but the cross-examination of complainant's witnesses, and the evidence taken by the defendant. References are given to the pages of the record.

The testimony has been collated and digested under the following headings:

1. Description of Witnesses as Experts, their experience, their opportunities for obtaining information, and the contrast in these respects of the witnesses for complainant and the witnesses for defendant.
2. Historical and Descriptive outline of development of and operating methods employed in the Natural Gas Industry of West Virginia. The discovery of Natural Gas and development of Natural Gas Fields was incident to oil development, and at first gas was of no value, there being no market for same.
3. The Later Development of the Natural Gas Fields of West Virginia was made by the great Interstate Transporting Companies for the purpose of obtaining gas to be transmitted to market in other States, which markets had been sought so as to give value to the natural gas produced in West Virginia.

4. The Amount of the Investment of the companies producing gas in West Virginia and transporting it to other States, in obtaining and carrying leases, drilling wells and laying pipe lines, &c.
5. The Exportation of Natural Gas from West Virginia to other States as carried on by the Gas Companies operating in that State, showing the lines of transmission, the movement of gas through the lines, and the operation Interstate and as one system or unit.
6. The Operation and Effect of the West Virginia statute will be to appropriate to the use of West Virginia Consumers Gas already in course of transmission from West Virginia to other States, and destroy the market for the product of the Gas Companies, render their plants valueless, and paralyze their business.
7. The Operation and Effect of the West Virginia statute will be not only to impair, but will destroy at times, the contracts between the Gas Companies and other companies and consumers, domestic and industrial, and the States of Pennsylvania and Ohio, and the United States Government, and will at all times make said contracts unenforceable, and make the other parties thereto cancel the same.
8. The Operation and Effect of the West Virginia statute will be to absolutely prohibit at times, during periods of cold weather, the transmission of Gas from West Virginia into Pennsylvania, Ohio or other States, and thus drive consumers off the line altogether and for the whole year.
9. The Effect of the Operation of the West Virginia statute will be a discrimination in favor of the citizens

of West Virginia and against the citizens of Pennsylvania and Ohio and other States, who are dependent upon the gas exported to them for fuel for heat and light by the Companies producing gas in West Virginia, and such residents of Pennsylvania, Ohio and other States, both domestic and industrial consumers, will suffer pecuniary loss, and the lives, health, safety, comfort and convenience of domestic consumers will be affected.

10. The States of Pennsylvania and Ohio, in their sovereign capacity, in and through their hospitals, insane asylums, public schools, penal institutions, and charitable institutions, and through the various political subdivisions of said States, such as cities, boroughs, &c., are consumers of Natural Gas, and have contracts for the supply thereof, and are dependent upon the use of Natural Gas exported from West Virginia for heat and light, and will be seriously affected by the operation of the West Virginia statute as to the lives, health, safety, comfort and convenience of wards and dependents in such institutions, and in such cities, boroughs, &c., and will further be subjected to great pecuniary loss.

11. Gas Companies in West Virginia are public service corporations, operating under franchises and exercising the right of eminent domain.

12. The Relation of the Hope Natural Gas Company, Pittsburgh & West Virginia Gas Company, United Fuel Gas Company, Reserve Gas Company, Carnegie Natural Gas Company, Columbia Gas and Electric Company, and The Manufacturers Light & Heat Company, to other producers of Gas and Gas Companies operating in West Virginia, and the respective holdings of wells, leases, production, the amount of gas exported by said companies, miles of pipe lines owned, &c.

### **Introductory Statement.**

Before argument and citation of authorities upon the legal propositions, it will serve a useful purpose to take a general view of the development of the natural gas industry in West Virginia, and the effect of the enforcement of the statute in controversy upon the gas companies and upon consumers in other states. All of this is more fully and graphically shown by the evidence.

Details of fact, quotations from and reference to the evidence, will be found in the "Digest." There is little or no conflict between the evidence of the complainant and the defendant. On all the important questions there is no conflict at all. In fact the Answer of the defendant admits substantially all that is necessary to make complainant's case.

The South Penn Oil Company, in the latter half of the last century, had taken up large blocks of leases in the State of West Virginia, and had drilled the same for the development of the oil deposits. In its early operations it drilled many dry holes and a number of gas wells. Other operators did the same, but abandoned the wells when they obtained gas. The South Penn Oil Company, however, tubed and cased their gas wells and shut them in. They were confronted with the problem—what to do with the gas from these wells. The South Penn Oil Company, after a number of gas wells had been drilled by this corporation, acquired the Flaggy Meadow Gas Company, to take over these gas wells and supply several small West Virginia towns and also supply fuel for the drilling and pumping of wells of the South Penn Oil Company. (Digest p. 21; Record p. 18; Digest p. 34; Record pp. 322-4; Digest p. 42; Record pp. 340-1).

About 1894, the South Penn Oil Company, having obtained further gas wells in other sections of the State, the same stockholders organized the Mountain State Gas Company. The Mountain State Gas Company took over some of these gas wells and undertook to supply some of the river towns in West Virginia, such as Sistersville and Parkersburg. It was found, however, that the number of gas wells obtained by these three companies, the South Penn Oil Company, the Flaggy Meadow Gas Company, and the Mountain State Gas Company, was increasing to such an extent that the companies were obliged to seek some other market to take the gas thus produced, as there was not sufficient demand in West Virginia, and accordingly the Hope Natural Gas Company and the East Ohio Natural Gas Company were formed, by the same interests, to take over these properties and obtain an outlet for this gas, there being no market for the same in West Virginia. The markets first sought were certain cities in Ohio, then later cities in Pennsylvania and other States. (Digest p. 34; Record pp. 322-4; Digest p. 41; Record pp. 325, 331-2; Digest p. 42; Record pp. 341-2).

Lines were laid from Massillon, Canton, Akron and other Ohio cities to the Ohio River, where they connected with the lines of the Hope Company, and gas was transmitted to the Ohio towns and sold there, no measurements being made along the lines and not until the gas reached the ultimate consumer. Later the lines of the East Ohio Company were extended to Cleveland, and other and larger lines were laid from Cleveland to the Ohio River, where they connected with other and larger lines which had been laid by the Hope Company, and gas was transmitted and sold in Cleveland, without any measurements at intermediate points and not until the gas reached the ultimate consumer. Later extensions



of lines or other lines were laid to other Ohio cities such as Columbus, Cincinnati, etc. by these or other companies. The Peoples Natural Gas Company in Pennsylvania was also purchased by the same interests and lines were laid by this company to the West Virginia state line to connect with the Hope Company lines there, and also to Brave Station in Pennsylvania to connect with the Hope Company lines at that point, and gas was delivered both at the state line and in Pennsylvania by the Hope Company to the Peoples Natural Gas Company. The Peoples Company supplied a number of Pennsylvania cities and towns. (Digest pp. 42-3; Record pp. 424-7).

During this same period T. N. Barnsdall was another heavy operator in West Virginia. He was drilling for oil, and in many instances found gas. Some of this territory of Barnsdall's interlocked with the territory of the South Penn Oil Company. When in 1898 the Hope Natural Gas Company was formed, or shortly thereafter, these gas interests of Barnsdall were transferred to this company. Prior to that time Barnsdall was supplying gas to quite a number of towns in Ohio, and after the consolidation of his interests as above stated with the Hope Company, the Reserve Gas Company was then formed by the same interests to take over many of the holdings of the Hope and Barnsdall companies. The Barnsdall interests were subsequently transferred to the Union Natural Gas Corporation. At practically the same time the Connecting Gas Company was formed by the same interests that formed the Reserve Company, to transport the gas from the Ohio River where it was taken by the Reserve Company's lines to two points,—Sugar Grove, in Ohio, where the Union Natural Gas Corporation received it for transmission and delivery,—and the other at Wheeler, in Ohio, where the Northwestern

Ohio Natural Gas Company received the gas belonging to the Hope Company, and transmitted and delivered the same through its own system in Ohio to various cities, including the city of Toledo. This plan of operation has been followed by the respective organizations from that date to the present time. (Digest p. 35; Record pp. 322-4).

Substantially all of these companies, however, after their organization, became active in securing additional gas territory and additional gas wells, both by drilling and purchasing, and, when the demand for gas increased, began the purchase of gas from other operators. (Digest pp. 44-6, 49, 53, 54; Record pp. 486-8, 521-4, 683-5, 719).

These companies, as well as others that were formed by other parties, from time to time, such as the Pittsburgh & West Virginia Gas Company, the United Fuel Gas Company, the Columbia Gas & Electric Company, the Carnegie Natural Gas Company, The Manufacturers Light & Heat Company, the Eastern Oil Company, The Logan Natural Gas Company, The Fayette Gas Company, Ohio Fuel Company, Northwestern Ohio Natural Gas Company, and many others, produced gas in West Virginia, or purchased it from other companies engaged in its production in West Virginia, and for years have been supplying West Virginia gas not only to the centers of population in West Virginia, but to large cities such as Pittsburgh, Johnstown, Altoona, McKeesport, and New Castle, in Pennsylvania, Cleveland, Cincinnati, Columbus and Toledo, in Ohio, Louisville, Ky., and Indianapolis, Ind., and the large number of towns and cities in Pennsylvania named on pages 6 to 9, of the Bill of Complaint of the Commonwealth of Pennsylvania, and to a large number of cities and towns in Ohio and other States. (Digest

pp. 212-233 and see references to Record there cited, which are so numerous that inserting them here would interrupt the continuity of the reading).

The number of cities and towns in States adjacent or contiguous to West Virginia dependent almost entirely upon West Virginia for their natural gas supply is substantially as follows:

In Pennsylvania about 300

Ohio,	"	300
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Kentucky,	"	25
-----------	---	----

Indiana,	"	15
----------	---	----

Maryland,	"	14
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Among these are some of the largest cities in these states. (Digest, pp. 234-5; Record, pp. 907-8; Digest, p. 236; Record, p. 904).

The number of domestic consumers in Pennsylvania is substantially 100,000, or counting five to a family, approximately a population of 2,000,000; in Ohio about 725,000, or a population of 3,625,000; in Kentucky about 75,000, or a population of 375,000; in Indiana about 15,000, or a population of 75,000; and in Maryland about 10,000, or a population of 50,000. (Digest, p. 235; Record, p. 908).

The States in which the activities of the larger natural gas companies taking gas from West Virginia and other States are conducted, are as follows:

Hope Natural Gas Company. Pennsylvania, Ohio and West Virginia. (Digest, pp. 79, 80; Record, pp. 204, 205, 297, 298).

**Reserve Gas Company.** Pennsylvania, Ohio and West Virginia. (Digest, pp. 79, 80; Record, pp. 186, 189, 974).

**Connecting Natural Gas Company.** Pennsylvania, Ohio, Kentucky and West Virginia. (Digest, pp. 83, 84; Record, pp. 318, 364).

**East Ohio Gas Company.** Ohio. (Digest, p. 88; Record, pp. 564, 570, 973, 1599).

**Columbia Gas & Electric Company.** West Virginia, Kentucky and Ohio. (Digest, pp. 84, 85; Record, pp. 374-6, 392, 876, 1584).

**Logan Natural Gas Company.** Indiana, Ohio and West Virginia. (Digest, p. 91; Record, pp. 750-8, 764-72, 1709).

**Fayette Natural Gas Company.** Pennsylvania and West Virginia. (Digest, p. 80; Record, pp. 534, 551).

**Pittsburgh & West Virginia Natural Gas Company.** Pennsylvania and West Virginia. (Record, pp. 513, 515).

**The Manufacturers Light & Heat Company.** Pennsylvania, Ohio and West Virginia. Digest, p. 74; Record, pp. 615, 616).

**Carnegie Natural Gas Company.** Pennsylvania and West Virginia. (Digest, p. 95; Record, pp. 876, 890-2, 1587).

**Eastern Oil Company group of companies.** Maryland and West Virginia. (Digest, pp. 93, 94; Record, pp. 892, 893).

**Natural Gas Company of West Virginia.** West Virginia, Pennsylvania and Ohio. (Digest, p. 90; Record, pp. 741-2, 746, 1566).

United Fuel Gas Company. West Virginia, Kentucky and Ohio. (Digest, pp. 84-5; Record, pp. 374-6, 392, 876, 1584).

The Philadelphia Company. Pennsylvania and West Virginia. (Digest, p. 87; Record, p. 876, 1586) :

Ohio Fuel Supply Company. Ohio and West Virginia. (Digest, pp. 88, 89; Record, pp. 651-8, 874, 1601).

Peoples Natural Gas Company. Pennsylvania. (Digest, pp. 79, 80; Record, pp. 186-90, 1509).

Northwestern Ohio Natural Gas Company. West Virginia and Ohio. (Digest, p. 89; Record, p. 651).

The Hope, Reserve, Connecting, Peoples and East Ohio, are the only companies that are in any manner affiliated or have any connection with the so-called Standard Oil interests. The other twelve companies in the foregoing list and many others have no such connections. All of these companies are in competition with one another (if located and operating in the same territory) in leasing, drilling, &c. (Digest, pp. 282-4; Record, pp. 1302-3, 12, 13, 46, 220, 357, 371, 827). The evidence conclusively establishes the fact that there is no monopoly, except in so far, as always results, that operations requiring enormous capital can only be carried on by a comparatively few. In this case these few are in no way associated. (Digest, pp. 275-82; Record, pp. 160, 321, 353, 356, 378-9, 421, 469, 508, 553-4, 638, 658, 682, 998-9, 1021, 1030-33, 1169, 1174, 1205, 1508).

The investment of the natural gas companies engaged in operating for and transmitting and supplying natural gas in and from West Virginia, at the present time, is several hundred millions of dollars, and the investment of the domestic consumers in the respective

States in their appliances for burning natural gas, estimated at \$200 to the consumer, would be in excess of \$245,000,000. This takes no account of the money invested and lost, nor of the appliances used in industrial plants. (Digest, pp. 60-71, and references there cited. Digest, p. 201 and references to Record there cited for average cost to consumer. Record, p. 908 for evidence as to number of consumers).

The total production of natural gas in the State of West Virginia in 1908 was approximately 112,000,000,000 cubic feet. This production gradually increased for five years until 1913, when it was approximately 245,500,000,000 cubic feet. It declined in 1914 and 1915, but in 1916 it was approximately 299,000,000,000 cubic feet. This increased in 1917 and declined in 1918, and in 1919 it was approximately 220,000,000,000 cubic feet. (Digest, p. 273; Record p. 278).

There was transported out of the State of West Virginia for the use of the respective consuming communities in Pennsylvania, Ohio, Indiana, Kentucky and Maryland, in the year 1919, approximately 140,000,000,000 cubic feet, or about 64% of the State's total production. The State of West Virginia during the same year consumed approximately 80,000,000,000 cubic feet of its own production and about 4,000,000,000 cubic feet which was imported into West Virginia from other states. (Digest, pp. 273-4; Record, p. 1378).

Natural gas cannot be stored after the gas-bearing sand has been punctured by the drill, and must be transmitted to the points of consumption by pipe lines. (Digest, pp. 23, 33; Record, pp. 13, 1421). The transmission for long distances through these pipe lines, after gas is forced into the line by its natural or rock

pressure, is made possible by the construction of compressors, which release the gas after compression into the transmission lines, and the gas flows through the same by its expansion. These compressor stations are located at intervals upon all of the transmission lines. (Digest, pp. 24-26; Record, pp. 127, 153-5). Some of these compressor stations have many thousand horse power. (Digest p. 61; Record pp. 258-9). The flow of gas in any direction is always towards the point of lowest pressure, and, therefore towards the point of largest consumption at the instant. Its direction of flow may vary from minute to minute, hour to hour and day to day. (Digest, pp. 29, 32; Record, pp. 865-76, 1419-20). The gas in the lines is never at rest. It is always in motion in one direction or another. (Digest, p. 31; Record, p. 908).

The development and growth of the presently existing vast system of natural gas production, transportation &c, is the result of experience extending over more than a quarter of a century. At first the supply of gas was confined to limited areas, within the radii of transmission by means of natural rock pressure of the gas in the ground. Science has extended these radii, almost in definitely, by supplementing this natural pressure by compressor stations of thousands of horse power erected at intervals along the transmission lines.

These transmission lines in West Virginia, Pennsylvania and Ohio, cross and recross the State lines at many points. (Digest, p. 73; Record, p. 30). The lines of some of these companies are shown upon maps in Volume I of Exhibits, Volume III of the record, at the following pages:

	Page
The Fayette Company.....	1581
The Hope Company.....	1582
The Reserve Company.....	1583
The United Fuel Gas Company.....	1584
The Manufacturers Light & Heat Co.....	1585
The Philadelphia Company.....	1586
The Carnegie Company.....	1587
The Eastern Oil Company.....	1588
The East Ohio Company.....	1599
The Ohio Valley Supply Com- pany .....	1601
And the joint map of the Hope, Reserve and Peoples Companies .....	1600

The map at page 1694, of the above Volume, based on data compiled by the United States Geological Survey, shows the natural-gas-using towns, and main transmission lines, in West Virginia, Pennsylvania, Ohio, Indiana, Kentucky and Maryland. They form a network of interstate transportation or transmission, forming a system of interstate connections and interstate crossings to which railroad lines are no comparison. These maps visualize the fact that in the production, sale and transportation of natural gas, state lines were obliterated by all of these gas companies, just as they were by the commerce clause of the Constitution of the United States. To now turn bac the hands on the dial of time, law, usage and custom (by which usage and custom the state of West Virginia has heretofore enormously profited) as this statute now proposes, would involve losses to gas companies and to consumers of nearly a billion dollars, subject millions of men,



women and children, in other states than West Virginia to indescribable hardships, to dangers to life and health, to discomfort and inconvenience, the while consumers in West Virginia were protected from all those losses and evils by the selfish discrimination of the laws of their State, in their favor, instead of the State adopting a forward-looking policy applicable to consumers in all States alike, providing for a gradual readjustment to meet the diminishing gas supply.

The lines of some of these companies cross and recross the State lines at a large number of places. The lines of The Manufacturers Light & Heat Company, for example, cross and recross the State lines between West Virginia and Pennsylvania and Ohio, over forty times. Through these lines the transmission of gas is carried from the producing centers of West Virginia to the consuming centers of Pennsylvania, Ohio, Kentucky, Indiana and Maryland. (Digest, pp. 73-5; Record, pp. 30, 114, 146-7). At these consuming centers in the villages, boroughs, towns and cities, there are distributing systems of pipe lines with house connections of the same general character as those used for manufactured gas. (Digest, p. 25; Record, p. 18).

All of the gas companies supplying the centers of population in all of the States have long since adopted the rule of giving to the domestic consumer preference over the industrial consumer; that is, in the event that there is not sufficient gas to supply both industrial and domestic consumers, the supply to the industrial consumer is cut off as far as possible.

In some of the States, as in Ohio, the Public Service Commission of the State has made rules and regulations giving to the domestic consumer the preference. The

natural gas companies, by reason of the present and prospective shortage of natural gas supply, have adopted the general policy of discouraging as far as possible the use of natural gas for industries, so as to conserve the supply for the domestic consumers. This policy was adopted because industries could more readily arrange for other fuel, and because industrial plants, as a rule, used such enormous quantities of gas that the supply was not enough for both domestic and industrial consumption. (Digest, pp. 147-8 and references to record there cited; Digest, pp. 157-8; Record, p. 423; Digest, p. 162; Record, pp. 561, 562, 578-9, 603, 634, 680, 681, 722, 781, 793).

Even when the supply of natural gas was much greater than it is at present,—in fact, at all times,—during “peak load” periods, that is, during extreme cold weather, both because of the peak load demands and because of the slowing down of transmission during such weather, there has been a shortage of supply, and even domestic consumers have not been furnished with an adequate supply. (Digest, pp. 144-6, 152, 161, 161, 166; Record, pp. 47, 50, 51, 215, 222, 458, 475-7, 611, 673). This condition has been accentuated during the last few years by a gradual diminution that has taken place in the supply of gas. (Digest, p. 214; Record, p. 47-8; Digest, pp. 216, 217, 224; Record, pp. 211, 327-8, 348, 588).

In addition to private citizens, the States of Pennsylvania and Ohio have contracts for the supply of gas to their public insitutions in the localities supplied by these natural gas companies, such as hospitals, poor-houses, houses of detention, etc., and the various municipalities in said States use the gas under contract for their public buildings, sometimes for street lighting and for the lighting of their grounds and the like. (Digest,

pp. 126, 127, 129, 132, 134-6, 238-52; Record, pp. 7-8, 118-20, 223, 388-9, 458, 500, 501, 574-7, 590, 632-3 and references to Record cited in Digest, pp. 238-52).

In many sections of Pennsylvania and Ohio, and in some of the other States, dwelling houses have been constructed with appliances adapted solely for the use of natural gas, and these appliances cannot be used for other fuel. So, too, some of the industrial plants have been so constructed, and must be reconstructed in order to use other fuel. The time required for such reconstruction and change of appliances would be very considerable,—many months,—and the cost thereof would be great. (Digest, pp. 200-12, and references to Record there cited).

If West Virginia gas were cut off from these consumers until the new appliances were installed and adapted to other fuel, and such fuel procured, such consumers would be not only subjected to an enormous cost and expense, but also would be affected in their comfort and convenience as well as in their health, if indeed their lives would not be in many cases jeopardized. (Digest, pp. 192-200 and references to Record there cited).

The gas companies transmitting gas from West Virginia into Pennsylvania, Ohio, and other States, are not only under contract to supply West Virginia gas to domestic and industrial consumers, but also to the States themselves and the municipal subdivisions of said States, and other gas companies operating therein. (Digest, pp. 127-141, 238-52, and references to Exhibits in Record there cited).

A large proportion of the natural gas now being used in Pennsylvania, Ohio, and these other States, is

obtained in and transported from West Virginia into these other States, and naturally and inevitably anything that reduces the amount of gas thus to be transported into these other States will diminish the quantity of gas thus to be delivered from West Virginia to these other States. (Digest, p. 142; Record, p. 969; Digest, pp. 273-4; Record, p. 1378; Digest, pp. 235-6; Record, pp. 901-8; Digest, pp. 184-7, and references to Record there cited.) The effect of such diminution is not measured in proportion to the amount of gas taken out for consumption in West Virginia under the provisions of said statute. There must always be enough gas in any pipe line system to fill the lines in order to maintain any pressure sufficient to afford any practical service to consumers on that line. While therefore only 25% to 50% of the amount of gas in transit to other States may be temporarily seized under the provisions of said statute for use in West Virginia, this may, and in all probability would, so disorganize the pressures on the transmission system as to prevent any service at all to consumers on said lines in other States, especially those at distant points. (Digest, pp. 30-31; Record, p. 876; Digest, pp. 77-8, Record, pp. 49-50; Digest, p. 141; Record, p. 783; Digest, p. 164, Record, p. 606; Digest, pp. 177-8; Record, pp. 909-10).

The operation of the West Virginia statute in controversy, not only undertakes to regulate and control the transportation lines, that is, the machinery of transportation, but proposes to take out of the lines, while the same is in transit to other States, the very article of commerce,—the natural gas,—so under transportation, and, without the consent of the gas company thus transmitting the same from West Virginia to such other States, proposes to appropriate and apply the gas thus taken to the use of and for the benefit of not only the

domestic consumers in West Virginia, but also all other consumers, the industrial consumers and others, throughout the domain of the State of West Virginia.

The effect of the operation of said statute and the carrying out of its mandates will be :

- (a) The appropriation by West Virginia consumers of gas already committed to interstate commerce.
- (b) The practical prohibition altogether of the transportation of gas from West Virginia into other States.
- (c) To discriminate in favor of and give to consumers in West Virginia preferences and opportunities over consumers in other States.
- (d) To cause enormous pecuniary losses to the natural gas companies and to consumers in these other States.
- (e) To affect and jeopardize the comfort, convenience, health, and possibly the lives, of consumers in such other States.
- (f) To strike down the contracts of the transporting companies with States, municipalities, other gas companies, and with consumers in such other States.
- (g) To take the property of the transporting gas companies forcibly and without their consent.
- (h) To destroy the value of the investments of the transporting natural gas companies, by destroying their market for gas, greatly reducing

the value of their plants, and in many instances rendering such plants, especially their distributing systems, utterly valueless.

The foregoing effect of the operation of the statute and the carrying out of its provisions, is evident from the following considerations:

The statute requires of each company in the state, however limited by charter or course of business may have been its locality of supply, an adequate supply of natural gas to be furnished, in the first instance, to all the residents of West Virginia, domestic, industrial and others, whether such residents are now being supplied by said transporting companies or not, and whether they have any connections upon their lines or not, and whether they are located in the territory which the company agreed to supply or not. By express terms the statute covers the whole territory of West Virginia, and the territory through which any of the lines of transportation pass. (As a matter of fact there are only two or three counties in the State through which lines do not pass.)

The statute also requires such adequate supply not only to domestic consumers, but to industries and to other consumers. If the industries now in the State, and particularly those additional industries which would be there attracted by such an enactment, as well as all the domestic consumers in the State, would use natural gas for fuel, as they undoubtedly would, they would consume substantially every foot of gas produced in the State,—even that produced at the present time, not to speak of the lesser quantity that will later be available on account of the rapid decline in production in West Virginia that is now going on. (Digest, pp. 114-81, *passim* and references to Record there cited).

Moreover, as previously stated, at no time during the past, when the supply of natural gas was much greater than today, during the "peak load" periods, even after industrial consumers were cut off the lines, could the gas companies furnish an adequate supply. (Digest, pp. 214, 216, 217, 224, 144-6, 152, 161, 164, 166; Record, pp. 47-8, 50, 51, 211, 215, 222, 327, 328, 348, 458, 475-7, 588). The peak load varies over normal from ten to twenty times. (Digest, pp. 150-1; Record, pp. 55-7, 222-3, 327, 423-4, 909). No gas company as an economic proposition, could afford to lay lines of dimensions sufficient for this extraordinary demand which continues for short periods only and during extreme cold weather. (Digest, p. 32; Record, p. 520). Besides this, temperature affects the flow of gas from the well and through the lines, cold retarding the flow, and the colder the weather the more the flow is retarded, just at the time when the demand is the greatest and the necessity for its use the most imperative. During these periods, therefore, if the demand for domestic consumption in West Virginia must be adequately supplied, even if the industrial demand in West Virginia, like elsewhere, was cut off, which the statute forbids, still consumers in other States would suffer indescribable hardships by this preemption of substantially all the gas by West Virginia consumers. As already explained, the transmission of gas by pipe lines, unlike the transportation of other commodities, may be substantially stopped by taking out of the line a comparatively small per cent. of their capacity, because the pressures must be maintained or no gas can be transmitted.

In addition to this, should any other natural gas company in the State, by reason of improvidence or carelessness or negligence or want of foresight and of capital, or other reason, be unable to supply the consumers

upon its lines, even though when such lines were laid it was evident the company laying the same could not supply such consumers, and that such consumers would require billions of feet of gas over and above the amount said company was prepared to supply, nevertheless, other companies engaged in interstate transportation of natural gas would be compelled to make a connection with such line and make up the deficit, whenever such deficit existed, whether such deficit was permanent or temporary only, during "peak load" periods. A local company with one small gas well could buy the distributing system of the largest city in West Virginia, and then, as above stated, compel the great interstate transportation companies to make up its deficit of gas.

Leaving out consideration of the wasteful use of gas by industries and in carbon-black manufacture now going on in West Virginia, (which waste would be enormously increased under the statute), the domestic consumers in West Virginia are comparatively just as wasteful. (Record, p. 901).

The diagram on page 1595 (Volume III of Record, Volume I of Exhibits) shows that domestic consumers in West Virginia used per consumer in 1906, 1,100,000 cubic feet of gas, and this fluctuated down to the end of 1918 to 850,000 feet per consumer; while during the same period the domestic consumers in Pennsylvania and Ohio respectively used in 1906, 600,000 and 250,000 feet per consumer, and in 1918, 375,000 and 160,000 feet per consumer; or West Virginia consumers in 1906 used nearly twice as much as Pennsylvania consumers and over four times as much as Ohio consumers, and in 1918, when the necessity for conservation became apparent, West Virginia consumers on the average consumed during that year over twice as much as Pennsylvania and over five times as much as Ohio consumers.



There is no claim, either by the Answer or by the evidence that there has been any discrimination by any of these interstate gas companies against consumers in West Virginia as compared with consumers in other States. West Virginia consumers have not only been fairly and liberally supplied, but lavishly, in comparison with consumers in other States. The statute, as the Answer shows and the evidence confirms, is not designed to protect consumers in West Virginia against discrimination, but to compel discrimination in their favor and against consumers in other States. The sole purpose of the statute in other words is to enforce discrimination in favor of West Virginians and against consumers in all other States.

This shortage of gas in cold weather to the consumers in other States would destroy altogether the demand for gas by such consumers. If consumers of gas in other States during the cold weather, when they needed above all other times this fuel to light and heat their houses and cook their meals, were deprived of this fuel, it follows inevitably that they would make other arrangements for fuel. They could not afford to rely upon the uncertainties and precariousness and intermittent character of their fuel supply of natural gas from these companies transporting the same from West Virginia into these other States, which would be subject to the operation of this West Virginia statute.

The experienced operators and experts of all the large natural gas companies testified unqualifiedly that the effect of the operation of the statute would be not only to tremendously diminish the supply of gas while in transit from the State of West Virginia into these other States, but it would so demoralize the operation of their lines as to utterly and completely prohibit and

prevent such companies from transmitting any gas into these other States during periods of cold weather and would destroy all demand for gas by consumers in these other States. These consumers in other States, such as Pennsylvania and Ohio, who are now dependent upon the gas at present being produced and transported from the State of West Virginia, would be so discriminated against by this statute that they would have to use other fuel, change their appliances, in some instances reconstruct their houses, and altogether abandon the use of natural gas; while the consumers in West Virginia could revel in the luxury of natural gas, and, if they continued their present profligacy, in an abandonment of waste of this most munificent gift of Nature to man.

### **Argument.**

The following legal propositions Complainant contends are applicable to this case. The same, together with the authorities in support thereof, will be separately argued.

1. Natural Gas when reduced to possession by the owner of the surface, his grantees, lessees, or assigns, is an Article of Commerce, and Congress has expressly so recognized it and provided for its transmission or transportation in pipe lines.
2. Natural Gas is not the property of the State, although owing to its power of self-transmission it has been fancifully called a "*Mineral Ferae Naturae*" by analogy to *Animals Ferae Naturae*, and the State has no more dominion over it than over other privately owned real or personal property.
3. The transmission of natural gas through pipe lines from points within one State, into or through other States, when the pipe lines and the gas transmitted therein cross and recross the State line, constitutes Interstate Commerce.
4. The transmission of natural gas by pipe lines, from the producing centers of West Virginia to the consuming centers of Pennsylvania, Ohio, and other States, constitutes an act of commerce among the several States, of such a nature as to be national in character, and to admit of and require a uniform system or plan of regulation.

5. The obvious purpose and effect of the West Virginia statute is not only to burden, interfere with and regulate Interstate Commerce, but to absolutely prohibit and prevent the same by prohibiting and preventing the transmission of natural gas out of said State.

6. The obvious and declared purpose and the effect of said West Virginia statute is to discriminate against consumers in other States in favor of and to and for the commercial, economic and other benefit and advantage of consumers in West Virginia.

7. Over eighty per cent. of the natural gas entering the pipe lines of the Interstate Natural Gas Companies in West Virginia is started with the definite intention that it shall be transmitted in Interstate Commerce, and as a fact it is so transmitted to Pennsylvania, Ohio, and other States, wherefore:

(a) The statute cannot be sustained because it purports to enforce duties imposed by Law upon Public Service Gas Companies in West Virginia, or any common-law duty of public utilities.

(b) The statute cannot be sustained because the specific quantity, or the exact destination, or the particular consignee, are unknown at the inception of said transportation; or because in some instances the gas is transported by the producer or owner for his own use or for distribution or for sale to local consumers or distributing companies; or because there is a transfer of title thereto in transit; or because of any local necessity, public sentiment or expediency, to retain said gas for use by the citizens of West Virginia.

- (c) The statute cannot be sustained because of any alleged police power.
- (d) The statute cannot be sustained because of any alleged corporate franchise regulation by the State of West Virginia, either as to domestic or foreign corporations engaged in Interstate Commerce.
- (e) The statute cannot be sustained<sup>1</sup> because said statute applies equally to both domestic and non-resident persons and to Intrastate as well as Interstate Commerce, and the Interblending of Intrastate and Interstate Commerce.
- (f) The statute cannot be sustained because several of these Companies also do some local business, by distributing Natural Gas at certain points from their pipe line systems to local communities.
- (g) The statute cannot be sustained because those Interstate Gas Companies, if there are any, which are not Public Service Companies under the Laws of West Virginia would not be affected.

3. The possibility that the State of West Virginia may exercise some forbearance, and that the State Public Service Commission may exercise a liberal discretion in the enforcement of said statute, in no sense mitigates the repugnancy of said statute to the Commerce Clause of the United States Constitution.

9. The West Virginia statute so involves the regulation of both Intrastate and Interstate transmission of Natural Gas, that by no possible construction could it be upheld without being so remodeled that it would be a mere speculation whether the legislature would have

passed it in its new form, and this Court cannot reshape said statute simply because it embraces elements that it might have reached if it had been drawn with a different measure and intent.

10. The natural and necessary operation and effect of said statute will be to impair the obligation of contracts.

11. The natural and necessary effect of said statute is to deny to Citizens of Pennsylvania, Ohio, and other States, the privileges and immunities granted by said statute to citizens of West Virginia.

12. The natural and necessary effect of said statute is to deprive the Interstate Natural Gas Companies operating in West Virginia of their property without due process of law.

I.

NATURAL GAS WHEN REDUCED TO POSSESSION BY THE OWNER OF THE SURFACE, HIS GRANTEE, LESSEES, OR ASSIGNS, IS AN ARTICLE OF COMMERCE, AND CONGRESS HAS EXPRESSLY SO RECOGNIZED IT AND PROVIDED FOR ITS TRANSMISSION OR TRANSPORTATION IN PIPE LINES.

The legal status of natural gas and its character as a legitimate subject of interstate commerce was declared and settled by this Court in the leading case of *Oklahoma vs. Kansas Natural Gas Co.*, 221 U. S. 229, (1911). It was explicitly decided in that case, (p. 255) :

“Gas, when reduced to possession, is a commodity; it belongs to the owner of the land, and, when reduced to possession, is his individual property, subject to sale by him, and may be a subject of intrastate commerce and interstate commerce.”

And in *Haskell vs. Kansas Natural Gas Co.*, 224 U. S. 217 (1912), on the question of modification of the decree in *Oklahoma v. Kansas Natural Gas Co.*, *supra*, the court said, (p. 220) :

“This court held that natural gas after severance is a commodity which might be dealt in like other products of the earth, as coal and other minerals, and is a legitimate subject of interstate commerce.”

See also :

*State ex rel. Corwin v. Indiana & Ohio Oil, Gas & Mining Co.*, 120 Ind. 575 (1889).

*Ohio Oil Co. v. Indiana* 177 U. S. 190.

Congress has expressly recognized natural gas to be a lawful subject of commerce and has made provision authorizing its transmission or transportation in pipe lines.

**Act of March 11, 1904, c. 505 Sec. 1, 33 Stat. at L. 65, amended March 2, 1917, c. 146, Sec. 1, 39 Stat. 983.**

**Act of June 29, 1906 (34 Stat. at L. 584, c. 359, Sec. 1), commonly known as the Hepburn Amendment to the Interstate Commerce Act.**



II.

NATURAL GAS IS NOT THE PROPERTY OF THE STATE, ALTHOUGH OWING TO ITS POWER OF SELF-TRANSMISSION IT HAS BEEN FANCIFULLY CALLED A "MINERAL FERAE NATURAE" BY ANALOGY TO ANIMALS FERAE NATURAE, AND THE STATE HAS NO MORE DOMINION OVER IT THAN OVER OTHER PRIVATELY OWNED REAL OR PERSONAL PROPERTY.

This was expressly decided by this Court in *Ohio Oil Co. v. Indiana*, 177 U. S. 190 (1900).

Also *Oklahoma v. Kansas Natural Gas Co.*, 221 U. S. 229 (1911), *supra*.

*Kansas Natural Gas Co. v. Haskell*, 172 Fed., 545 (1909), affirmed by this Court in *Oklahoma v. Kansas Natural Gas Co.*, *supra*.

*Manufacturers Gas & Oil Co. v. Indiana Natural Gas & Oil Co.*, 155 Ind., 545 (1900).

### III.

THE TRANSMISSION OF NATURAL GAS THROUGH PIPE LINES FROM POINTS WITHIN ONE STATE, INTO OR THROUGH OTHER STATES, WHEN THE PIPE LINES AND THE GAS TRANSMITTED THEREIN CROSS AND RE-CROSS THE STATE LINE, CONSTITUTES INTERSTATE COMMERCE.

In the recent case of *Pennsylvania Gas Co. v. Public Service Commission of New York*, 252 U. S. 23, (1920), the court by Mr. Justice Day said, (p. 28) :

"We think that the transmission and sale of natural gas produced in one State, transported by means of pipe lines and directly furnished to consumers in another State, is interstate commerce within the principles of the cases already determined by this court. *West v. Kansas Natural Gas Co.*, 221 U. S. 229; *Haskell v. Kansas Natural Gas Co.*, 224 U. S. 217; *Western Union Telegraph Co. v. Foster*, 247 U. S., 105. \* \* \*

This case affirmed the decision of the New York Court of Appeals, *Pennsylvania Gas Co. v. Public Service Commission*, 225 N. Y. 397 (1919), in the course of which Cardozo, J., said, (p. 402) :

"We think the petitioner's business is interstate commerce. There is no doubt that the transportation of oil or gas from state to state through the medium of pipe lines is commerce between the states. *West v. Kansas Natural Gas Co.*, 221 U. S. 229; *Haskell v. Kansas Natural Gas Co.*, 224 U. S. 217; *Haskell v. Cowham*, 187 Fed. Rep. 403."

In *Public Utilities Comm. of Kansas v. Landon*, 249 U. S. 236 (1919), the same proposition was established.

**Mr. Justice McReynolds, said, (p. 245):**

"That the transportation of gas through pipe lines from one State to another is interstate commerce may not be doubted. Also, it is clear that as part of such commerce the receivers might sell and deliver gas so transported to local distributing companies free from unreasonable interference by the State. *American Express Co. v. Iowa*, 196 U. S. 133, 143; *Oklahoma v. Kansas Natural Gas Co.*, 221 U. S. 229; *Haskell v. Kansas Natural Gas Co.*, 224 U. S., 217."

The same conclusion had been reached nearly a quarter of a century earlier, in *State ex rel. Corwin v. The Indiana & Ohio Oil, Gas & Mining Co.*, 120 Ind. 576 (1889), reviewed and explicitly reaffirmed in *Manufacturers Gas & Oil Co. v. Indiana Natural Gas Co.*, 155 Ind. 545 (1900).

It is well established by decisions of this Court that even where the transmission or transportation of legitimate articles of commerce is from and to points in the same State, where the transportation lines cross and recross the State line, it is interstate commerce within the constitutional protection.

See *Hanley v. Kansas City Southern R. Co.*, 187 U. S. 617 (1902).

*Western Union Telegraph Co. v. Speight*, 254 U. S. 17 (1920).

The means of conveyance, the distances of the transportation in the respective States, the number of crossings, the character or manner of the passage back and forth or the frequency thereof, in no way change the interstate character of the commerce, or the Federal control of the same.

*Gloucester Ferry Co. v. Pennsylvania*, 114 U. S. 196 (1885).

*Corington etc. Bridge Co. v. Kentucky* 151 U. S. 204. (1893).

#### IV.

**THE TRANSMISSION OF NATURAL GAS BY PIPE LINES, FROM THE PRODUCING CENTERS OF WEST VIRGINIA TO THE CONSUMING CENTERS OF PENNSYLVANIA, OHIO AND OTHER STATES, CONSTITUTES AN ACT OF COMMERCE, AMONG THE SEVERAL STATES, OF SUCH A NATURE AS TO BE NATIONAL IN CHARACTER, AND TO ADMIT OF AND REQUIRE A UNIFORM SYSTEM OR PLAN OF REGULATION.**

Natural gas in commercial quantities cannot be stored; it must be transmitted by pipe lines from the mouth of the well to the ultimate consumer. Pipe lines are the universally recognized method for such transmission. The normal, universally followed, and most scientific method of marketing natural gas is to turn it from the well immediately into the pipe line, through which it is transmitted on the first part of its journey by its power of expansion, having been held in compression by nature while in the sand-rock. This compression is commonly called the rock pressure. This rock pressure forces the gas from the bottom of the well to the mouth and thence into the pipe lines. On these pipe lines at intervals are established compressor stations, some of which are of many thousand horse-power. These place the gas under compression while in the lines, and by expansion the gas continues on its journey, passing en route perhaps through several compressor stations.

From the instant it enters the pipe lines the gas is never at rest, but is always in motion, sometimes in one

direction and sometimes in another; its course being towards the point of lowest pressure on the lines at the instant, so the movement may be in opposite directions from hour to hour. It is always, as stated, instinct with life, superinduced in the first instance by its expansion from its compression under the natural rock-pressure, and later by its expansion from compression by the various compressor stations located along the lines and perhaps in several States.

The term "pumping station," as used on oil and water lines, is sometimes applied to natural gas lines, but this is a misnomer; the gas is not forced or driven, but travels by its power and propensity of expansion, after being compressed.

None of this gas is ear-marked. No particular thousand feet is destined for any particular point on the lines. All the gas that enters the pipe-line system, perhaps from fields in two or three States, or several fields in the same State, becomes commingled and is not-separable, and moves now here and now there, according to the current, as above explained, until it reaches the local distributing mains and ultimate consumer. The title to the gas is in the pipe-line company. The natural gas companies are not engaged in transporting gas for others, but in transmitting their own gas, which they sell at so much per thousand feet delivered. All of the large interstate companies start the gas on its journey from one State to another to be delivered to the consumer in such other State. The destination is foreordained; that is, delivery to purchasers in such other States.

The continuous and usual course of business, and the commitment of the gas company to supply the con-

sumers' requirements from hour to hour and day to day, determine the character of the shipment and the point and place of delivery.

The gas thus entering the lines in West Virginia is destined for and moves in the normal, contemplated and followed course, as continuous and rapid as science can make it, to the consumers in Pennsylvania, Ohio, Indiana, Kentucky, Maryland, and other States. Some gas from all these other States may enter the lines and become commingled with the gas from West Virginia, while en route from West Virginia to consumers in these other States; or some of this gas from other States, when the movement of the current in the lines is towards West Virginia, may be supplied to consumers in West Virginia.

The gas in the pipe-line system of any company crossing the State lines, is so transmitted from State to State under contracts for the sale and delivery thereof to consumers in such other States.

The interstate gas companies having pipe lines extending from West Virginia into Pennsylvania, Ohio, and other States, made contracts to supply gas to consumers in those States. These interstate companies produce or purchase gas in West Virginia, and after it enters their pipe lines they transmit or transport it from West Virginia to consumers in other States for delivery under their said contracts. Their pipe lines through which this transmission or transportation is being conducted, are only the vehicle by which the gas—the article sold—is conveyed from West Virginia and delivered to said purchasers. There is no separate charge for transportation or transmission. The gas is sold delivered at

the point of consumption, and while the pipe lines are a transportation or transmission system—unlike railroads, telegraph lines and the like, they are not engaged in the separate business of transportation. The transaction, therefore, is primarily a contract of sale of a specific article delivered at the point of consumption or transmission as distinguished from the contract of transportation or transmission.

However, it is interstate commerce, considered both as a purchase and sale, and also as transportation.

Such purchase and sale of gas and transmission thereof through pipe lines from State to State is that kind or character of interstate commerce which has been declared again and again by this Court to be national in character, to be governed by a uniform system or plan of regulation. Such uniformity and plan Congress alone can supply, exclusive of regulation or attempt at control by the respective States in which the purchase and sale takes place, or through which the transmission or transportation is made.

Inextricable confusion, delay and uncertainty would result, if each State through which the pipe lines passed would undertake to make separate and distinct regulations.

*Oklahoma v. Kansas Natural Gas Co.*, 221 U. S., 229 (1911), *supra*.

*Haskell v. Kansas Natural Gas Co.*, 224 U. S., 217 (1912), *supra*.

*Pennsylvania Gas Co. v. Public Service Commission of New York*, 252 U. S., 23 (1920).

*Public Utilities Commission v. Landon*, 249 U. S., 236 (1919), *supra*.



*Landon, Receiver v. Public Utilities Commission of Kansas*, 242 Fed., 658; C. C. A., (1917).

*Pennsylvania Gas Co. v. Public Service Commission of New York*, 225 N. Y., 397 (1919).

*State ex rel. Corwin v. Indiana & Ohio Oil, Gas & Mining Co.*, 120 Ind. 576 (1889).

Judge Sanborn, in *Haskell v. Cowham*, 187 Fed., 403 (1911), said (p. 408) :

“Interstate commerce in natural gas, including therein its transportation among the States by pipe lines, is a subject national in its character and susceptible of regulation by uniform rules. The silence or inaction of Congress relative to such a subject is a conclusive indication that it intends that interstate commerce therein shall be free, and any law or act of a state or of its officers which prohibits it or substantially restrains its freedom is violative of the Constitution and void.” (Citing authorities).

These natural gas cases present a modern application of this Court's well-settled and long-established interpretation of the Commerce Clause of the Federal Constitution to the effect that the sale or exchange and transportation of commodities between the States is of national importance and admits of and requires uniformity of regulation and therefore no State has power to interfere with, regulate or burden, much less prohibit, such sale and transportation. A brief reference to a few of these cases is accordingly here made. The sale of gas and its transportation or transmission from State to State comes within the established rule.

The question of what constituted such national character of the subject matter of interstate commerce

as to bring it within the exclusive Federal commerce power, was before the court in *Reading Railroad Co. vs. Pennsylvania* (The State Freight Tax Case), 15 Wall. (82 U. S.) 232 (1872).

Mr. Justice Strong said, (p. 279) :

“ \* \* \* the rule has been asserted with great clearness, that whenever the subjects over which a power to regulate commerce is asserted are in their nature national, or admit of one uniform system or plan of regulation, they may justly be said to be of such a nature as to require exclusive legislation by Congress. *Surely transportation of passengers or merchandise through a State, or from one State to another, is of this nature.*”

(The italics are ours).

In *Welton v. State of Missouri*, 91 U. S. 275 (1875), the opinion, written by Mr. Justice Field, has been widely quoted in this and other courts. Speaking of the fundamental constitutional principles involved, he observed, (p. 279) :

“Commerce is a term of the largest import. It comprehends intercourse for the purpose of trade in any and all of its forms, including the transportation, purchase, sale and exchange of commodities between the citizens of our country and the citizens or subjects of different states. The power to regulate it embraces all the instruments by which such commerce may be conducted. So far as some of these instruments are concerned and some subjects which are local in their operation, it has been held that the states may provide regulations until Congress acts with reference to them; but where the subject to which the power applies is national in

its character, or of such a nature as to admit of uniformity of regulation, the power is exclusive of all state authority.

It will not be denied that that portion of commerce with foreign countries and between the states, which consists in the transportation and exchange of commodities, is of national importance, and admits and requires uniformity of regulation. The very object of investing this power in the General Government was to insure this uniformity against discriminating State legislation."

(The underscore is ours).

In *Gloucester Ferry Co. v. Pennsylvania*, 114 U. S. 196, (1885), the Court, said, (p. 203) :

"And it needs no argument to show that the commerce with foreign nations and between the states which consists in the transportation of persons and property between them, is a subject of national character and requires uniformity of regulation. Congress alone, therefore, can deal with such transportation, its non-action is a declaration that it shall remain free from burdens imposed by state legislation. Otherwise there would be no protection against conflicting regulations of different states, each legislating in favor of its own citizens and products, and against those of other states. It was from apprehension of such conflicting and discriminating state legislation, and to secure uniformity of regulation, that the power to regulate commerce with foreign nations and among the states was vested in Congress."

(Underscore ours.)

The law is well summarized in the opinion of this Court, in *County of Mobile v. Kimball*, 102 U. S. 691, 697, (1880), where it is said:

“The subjects indeed upon which Congress can act under this power are of infinite variety, requiring for their successful management different plans or modes of treatment. Some of them are national in character, and admit and require uniformity of regulation, affecting alike all the states; others are local, or are mere aids to commerce, and can only be properly regulated by provisions adapted to their special circumstances and localities. Of the former class may be mentioned all that portion of commerce with foreign countries or between the states which consists in the transportation, purchase, sale and exchange of commodities. Here there can of necessity be only one system or plan of regulation, and that Congress alone can supply; its non-action in such cases with respect to any particular commodity or mode of transportation is a declaration of its purpose that the commerce in that commodity, or by that means of transportation, shall be free. There would otherwise be no security against conflicting regulations of different states.”

(The underscore is ours).

In *Leisy v. Hardin*, 135 U. S., 100 (1890), it was said:

“Whenever, however, a particular power of the general government is one which must necessarily be exercised by it, and Congress remains silent, this

is not only not a concession that the power reserved by the states may be exerted as if the specific power had not been elsewhere reposed, but on the contrary the only legitimate conclusion is, that the general government intended that power should not be affirmatively exercised, and the action of the states cannot be permitted to effect that which would be incompatible with such intention. Hence, inasmuch as interstate commerce, consisting in the transportation, purchase, sale and exchange of commodities, is national in its character and must be governed by a uniform system, so long as Congress does not pass any law to regulate it, or allowing the states so to do, it thereby indicates its will that such commerce shall be free and untrammelled."

(The underscore is ours).

Authorities could be greatly multiplied if necessary.

Gas is sold by the owner in West Virginia to purchasers in Pennsylvania and Ohio, and other States. This was a transaction of interstate commerce of purchase and sale. The delivery by the vendor through his pipe line from West Virginia to these other states was a transaction in interstate commerce in transportation. It was of such a character, both as a purchase and sale and as transportation, as gave to the Federal Government sole control.

These interstate gas companies are public service corporations in all the States through which their lines pass. In all of these States, except Maryland, gas is produced or purchased by them and introduced into their lines. In several instances the lines of the same company pass out of and back into West Virginia at several points, supplying consumers both while out of and

within West Virginia. Unlike railroad transportation, in natural gas transmission the motive power is not exerted immediately at the point of transportation, in the carriage of the load. The compressor station influencing the delivery at a certain point may be in another State from the point of delivery, or several compressor stations in several states at the same instant may influence this delivery. Again in transportation by rail, a part of the load may be taken off at one point or another, without affecting the carriage of the remainder. In transmission of natural gas the taking out of the lines of a comparatively small percentage of the gas in transit may so reduce the pressures as to prevent transmission of any of the remainder. So, too, transportation by rail is a separate and distinct transaction from the purchase and sale of the commodity carried. Not so with natural gas, the transmission being only an incident of the sale and delivery. Therefore if different States through which the lines pass can enact different rules and regulations for the sale, transmission and delivery of this gas, confusion worse confounded will inevitably result. If West Virginia can pass such a law as the statute in controversy, so could each of the other States, and all of them could provide different kinds of rules and regulations for the operation of the pipe lines and the sale and delivery of gas. Imagine the confusion, the paralysis, of interstate commerce that would ensue. No better illustration can be conceived than these interstate natural gas companies, for the application of the rule above referred to, adopted by this Court, namely: That where the commerce between the States consists of the transportation, purchase, sale and exchange of commodities, there can of necessity be only one system or plan of regulation, which Congress alone can supply.

V.

THE OBVIOUS PURPOSE AND EFFECT OF THE WEST VIRGINIA STATUTE IS NOT ONLY TO BURDEN, INTERFERE WITH AND REGULATE INTERSTATE COMMERCE, BUT TO ABSOLUTELY PROHIBIT AND PREVENT THE SAME BY PROHIBITING AND PREVENTING THE TRANSMISSION OF NATURAL GAS OUT OF SAID STATE.

If this statute can be enforced, in accordance with its purpose, as demanded by the State of West Virginia, and its purpose can be interpreted, as set forth in the Answer of said State, all of the natural gas produced in West Virginia would be conserved for the use of the consumers in West Virginia, and consumers in other States would be cut off from and deprived of any natural gas supply from the State of West Virginia.

The statute in express terms provides that all classes of consumers in West Virginia, domestic, industrial and others, shall each and all be furnished with a reasonably adequate gas supply. This reverses the present policy of all natural gas companies to prefer domestic consumers and to conserve the supplies of natural gas as far as practicable for the use of domestic consumers.

Under the statute, the consumers of the whole State,—domestic, industrial and others,—are treated as a unit, and each and every natural gas company in the State is obligated by the statute to supply these consumers wherever situate in that State. However limited or circumscribed may have been the appropriation by the gas company of its property, gas production, or pipe

lines, in their devotion to the public use, whether limitations of the use by certain classes of consumers, or limitations of territory of such use, the statute makes each and every gas company in the State devote all of its production and all of its pipe lines to every class of consumers and to every part of the State, however remote from the territory in which such gas company had proposed to do business.

The State of West Virginia in its Answer seeks to justify the imposition of these arbitrary and extraordinary powers of operation and control of the pipe line systems of these natural gas companies, and the right to commandeer their gas, upon the grounds, first, that "the West Virginia gas of the persons, firms and corporations in said statute mentioned required for the reasonably adequate supply of the public in West Virginia is affected with the use or interest of said public which is superior and prior to any introduction thereof into interstate commerce," and so long as this natural gas is being transported through the mains or pipes of public service gas companies in that State and while the gas is in such mains and pipe lines it is subject to the public service of West Virginia, and accordingly such public service companies subject to such service must observe and perform the duties imposed by law upon public service gas companies. The duty to be imposed by this law, under this statute, is to deliver to every consumer in West Virginia, of every class, wherever situated, an adequate gas supply.

The evidence in the case (see the digest thereof in the separate volume pp. 99, 143), practically uncontradicted, but in any event overwhelming, establishes that the necessary effect and inevitable consequence of carrying out the provisions of said statute will be:



FIRST. To appropriate to consumers in West Virginia all the natural gas produced in West Virginia, because the industrial and other consumers in West Virginia, if adequately supplied, together with the domestic consumers, will demand and consume all the natural gas now produced in that State, without considering the rapid diminution of the supply now going on.

SECOND. To so demoralize the transportation systems of the interstate natural gas companies engaged in transporting natural gas to consumers in other States, as to wholly prohibit and prevent, during certain periods, the transportation of any gas out of the State of West Virginia to consumers in other States.

The purpose and intent of the statute in controversy is palpably an effort on the part of the State of West Virginia to keep its natural gas supply for the exclusive use and benefit of the people of the State of West Virginia, and the Answer not only admits this but asserts the legal right of the State so to do.

Can a State by indirection, by circumflexion, where the purpose is manifest and the Answer of the State so admits, and the result inevitable, accomplish this purpose, under the guise of regulating its own public service corporations, when those corporations are engaged in interstate commerce?

While so engaged in interstate commerce these companies are the public service corporations of the nation as well as the state, and their duties and obligations, as such, are paramount to any obligation to the State.

This principle is the very pith and kernel of the decision of this Court in *Oklahoma v. Kansas Natural*

*Gas Co.*, 221 U. S. 229 (1911), *supra*. In that case the Attorney General of the State declared that the question before the Court was the right of the State of Oklahoma to conserve its gas supply for its own use.

Mr. Justice McKenna, delivering the opinion of the Court, said, (p. 254) :

"In other words, the purpose of its conservation is in a sense commercial, the business welfare of the state, as coal might be, or timber. Both of those products may be limited in amount, and the same considerations of the public welfare which would confine gas to the use of the inhabitants of a state would confine them to the inhabitants of the state. If the states have such a power a singular situation might result. Pennsylvania might keep its coal, the Northwest its timber, the mining states their minerals. And why may not the products of the field be brought within the principle? Thus enlarged, or without that enlargement, its influence on interstate commerce need not be pointed out. To what consequence does such power tend? If one state has it, all states have it; embargo may be retaliated by embargo, and commerce will be halted at state lines. And yet we have said that in matters of foreign and interstate commerce there are no state lines. In such commerce, instead of states, a new power appears and a new welfare, a welfare which transcends that of any state. But rather let us say it is constituted of the welfare of all of the states, and that of each state is made the greater by a division of its resources, natural and created, with every other state and those of every other state with it."

See also :

*Haskell v. Kansas Natural Gas Co.*, 224 U. S., 217 (1912), *supra*.

*State ex rel. Corwin v. Indiana & Ohio Oil, Gas and Mining Co.*, 120 Ind. 575 (1889), *supra*.

*Manufacturers Gas & Oil Co. vs. Indiana Natural Gas & Oil Co.*, 155 Ind. 545, (1900) *supra*.

The State of West Virginia, in enacting the statute in controversy, is not the first to attempt by indirection, by various pretexts and subterfuges, that which it could not do directly. This has been shown in some of the cases hereinbefore cited in which the analysis by this and other courts of statutes of other States, showed that they had been passed for the purpose of prohibiting the export of gas from one State to another, which purpose was not directly expressed, the real purpose being concealed. Though more or less concealed by divers and sundry provisions of the respective statutes, if the intent thereof to prevent the transportation of gas from out the State to other States was finally disclosed, the statute has invariably been denounced by the courts as unconstitutional.

One of the most adroit and ingenious attempts thus to conceal the true purpose of such statutes was that made by the draftsman of the Indiana statute of March 4, 1891. This statute prohibited the transmission of natural gas through pipe lines at a greater pressure than 300 pounds to the square inch. It forbade the use of artificial acceleration of the natural flow of the gas. This would prevent the use of compressor stations, which are necessary if the gas is to be transmitted any considerable distance. All of these regulations on their face looked like police regulations within the power of

the individual States. But the statute was declared by the New Jersey Court to be in effect an attempt to prevent the transportation of natural gas without the territorial limits of Indiana, and it was accordingly declared unconstitutional.

This decision by the New Jersey court was cited with approval by this Court in the leading case in this Court, already referred to, of *Oklahoma v. Kansas Natural Gas Co.*, 221 U. S., 229.

The New Jersey case above referred to is *Benedict v. Columbus Construction Co.*, 49 N. J. Eq., 23, 23 Atl., 485. The New Jersey court, in a stockholders' suit, construing the Indiana Act, declared, in the words of Chancellor McGill, (p. 37) :

"The Supreme Court of Indiana, by its decision in the Jamieson case, has merely said that the pressure prescribed by the act of March 4, 1891, is presumptively reasonable as a police regulation. Reverting to the act of 1891, it is perceived that its title contemplates not only the 'regulation' of transportation of gas, but also the 'procuring and using' it. It forbids the owner of a gas well to take gas therefrom by artificial means. He must allow the gas to flow to him. Then, he must restrict the flow, if it should enter his pipes at a pressure in excess of 300 pounds to the square inch, to that pressure, and then although his pipes may be of equal strength along their entire line, and although friction lessens the pressure at the rate of from five to eight pounds per mile, he must do nothing to counteract the effect of the friction to maintain the pressure which the legislature admits is safe and reasonable. It requires but a simple mathematical calculation to ascertain that the effect of this law is to limit the

transportation of gas to a radius of about 60 miles from the gas wells, and to restrict it within the territorial limits of the state of Indiana. \* \* \* I cannot escape the conviction that the purpose of the provision considered was to prevent the transportation of gas without the territorial limits of Indiana.

Such a purpose is unlawful, in that it seeks to impose a burden upon interstate commerce, which directly and substantially interferes with its freedom \* \* \*.”

Burdens, regulations, restraints and interdictions, in no proportion as direct and effective upon interstate commerce as this West Virginia statute, have been denounced again and again by this Court as unconstitutional.

Should this Court desire to further pursue this inquiry an examination of the following cases will demonstrate the accuracy of the foregoing statement:

- Brown v. Maryland*, 12 Wheat, 419;
- The Passenger Cases*, 7 Howard, 286.
- Henderson v. Mayor*, 92 U. S. 259.
- Chy Lung v. Freeman*, 92 U. S. 295.
- Almy v. California*, 65 U. S. (24 How.) 169.
- Crandall v. Nevada*, 73 U. S. 35.
- Woodruff v. Parham*, 75 U. S. 123.
- State Freight Tax Case*, 82 U. S. 232.
- Hall v. DeCuir*, 95 U. S. 485.
- Railroad Co. v. Husen*, 95 U. S. 465.
- Ferry Co. v. Pennsylvania*, 114 U. S. 196.
- Wabash v. Illinois*, 118 U. S. 557.
- Robbins v. Shelby Dist.*, 120 U. S. 489.

- Bowman v. R. R. Co.*, 125 U. S. 465.  
*Leisy v. Hardin*, 135 U. S. 100.  
*Lyng v. Michigan*, 135 U. S. 161.  
*McCall v. California*, 136 U. S. 104.  
*Minnesota v. Barber*, 136 U. S. 313.  
*Crutcher v. Kentucky*, 141 U. S. 47.  
*Corvinton Bridge Co. v. Kentucky*, 154 U. S.  
204.  
*Railroad Co. v. Eubank*, 184 U. S. 27.  
*American Express Co. v. Iowa*, 196 U. S. 133.  
*Rearick v. Pennsylvania*, 203 U. S. 507.  
*West. Un. Tel. Co. v. Kansas*, 216 U. S. 1.  
*Int. Text Book Co. v. Pigg*, 217 U. S. 91.  
*Buck Store Co. v. Vickers*, 226 U. S. 205.  
*Railway Co. v. Corvinton*, 235 U. S. 537.  
*West. Un. Tel. Co. v. Foster*, 247 U. S. 105.

The evidence in this case establishes that the West Virginia statute will, if enforced, directly and immediately interfere with, burden and prohibit not only the transmission of natural gas from State to State, but that also the management and operation of gas companies in these other States, which rely upon West Virginia gas, will likewise be affected and they will be prevented from performing the public service and other obligations they have lawfully and in good faith assumed in such other States.

It is significant that this Court has been quick to point out and condemn this extra-territorial effect of State statutes, and to emphasize its repugnancy to the Commerce Clause of the Federal Constitution.

This Court dwelt upon this feature as the one chiefly objectionable in the State Acts before the Court and one of the reasons why such Acts should be declared

unconstitutional, in the following cases, which were cited, together with others, in the cases immediately preceding:

*Case of State Freight Tax*, 15 Wall. (82 U. S. 232).

*Hall v. De Cuir*, 95 U. S. 485, 488.

*Wabash etc. Ry. Co. v. Illinois*, 118 U. S. 557, 572, 575.

*Bowman v. Chicago etc. Ry. Co.*, 125 U. S. 465, 498.

*Minnesota v. Barber*, 136 U. S. 313, 322.

*L. & N. R. Co. v. Eubank*, 184 U. S. 27, 34 *et seq.*

*American Express Co. v. Iowa*, 196 U. S. 133, 143.

*West. Un. Tel. Co. v. Kansas*, 216 U. S. 1, 30.

*So. Covington & Cinc. St. Ry. Co. v. Covington*, 235 U. S. 537.

As previously stated, there is practically no conflict of testimony to the effect that the enforcement of this West Virginia Act will necessarily and inevitably result in absolutely prohibiting and preventing the transmission or transportation of natural gas from West Virginia to other States.

S. S. Wyer, the great natural gas expert, employed by the United States Government, testified, at pages 969, 970, of the Record:

"The enforcement of the Act in question would immediately bring about a condition where in the immediate future the demand solely within the State of West Virginia for natural gas would be greater than the available supply and there would be no gas left for interstate transportation through the main lines now going out of the State."

T. O. Sullivan, of the Hope Natural Gas Company, said, pages 226 and 227 :

"If the natural gas companies operating in the State of West Virginia were compelled to furnish all of the gas that might be required for use within the State, in my opinion it would be only a comparatively short time until there would be a sufficient demand to use all of the gas that is produced."

The witness further described the time as "possibly a year, maybe two years."

John B. Corrin, of the Connecting and Reserve Companies, said, pages 326 *et seq.* :

"I do not see how it would be possible to operate any gas system of lines if you could not determine the amount of gas that was going to go through those lines and if some person or city or otherwise took gas off the lines before it reached your consumers. In addition, you could not retain any of your consumers yourself because the service that would be rendered would be uncertain and undependable, and in fact I don't believe that it would be practicable to maintain a gas company if that condition existed."

H. A. Wallace, of the United Fuel Gas Company and Cabin Creek Gas Company, said, pages 368 *et seq.* :

"I feel that in a very short time, in cold weather especially, we would have no gas to transport out of the State, and for that reason I do not believe domestic consumers and other people would care to be connected to our lines if they could only receive a supply of gas during the summer season and in



the winter time when they absolutely needed the gas for heating and lighting and comfort, to have the supply discontinued, they naturally would not care to use gas for fuel."

John B. Tonkin, of the Peoples Natural Gas Company, said, page 429:

"I think that after one winter of that, our consumers would probably want to leave us; that they wouldn't put up with the inconveniences and the suffering that they would have to go through under those conditions."

And again:

"It is my opinion that the demand on their line (Hope Company's) would be so great from companies doing business in West Virginia and from industrial plants there that there would be no gas left in cold weather to distribute to the Peoples Natural Gas Company."

Martin B. Daly, of the East Ohio Gas Company, said, pages 558 *et seq.*:

"The effect on our gas companies would be that they would be obliged to discontinue natural gas altogether. That must be the ultimate result."

J. K. Anderson, natural gas engineer, said, pages 825 *et seq.*:

"Q. From the figures and estimate which you have made with reference to the increased consumption of industrial gas in the State of West Virginia, under the operation of the act now in controversy, if it goes into effect, state whether or not, in your opinion, that increased consumption would consume substantially all of the gas produced in West Virginia?"

A. It will, within a few years.

Q. Within what length of time would you say?

A. I would say within a year and a half from the date of the effectiveness of the act."

The evidence on this subject has been collated in the digest of evidence made by complainants, particularly under Section 8, page 143, but also under Section 6, page 99, and Section 7, page 126.

All of the operating heads of the great interstate natural gas companies, operating in West Virginia, testified to the same effect. They were: Mr. Quay, of The Manufacturers Light & Heat Company; Mr. Sullivan, of the Hope Natural Gas Company; Mr. Corrin, of the Reserve Gas Company; Mr. Tonkin, of the Peoples Natural Gas Company; Mr. Daly, of the East Ohio Gas Company; Mr. Jones, of the Columbus Gas & Fuel Company, etc.; Mr. Denning, of the Ohio Fuel Supply Company; Mr. Whitcomb, of the Union Natural Gas Corporation; Mr. Wallace, of the United Fuel Gas Company; Mr. Reed, of the Philadelphia Company, and the Pittsburgh & West Virginia Gas Company; Mr. McMahon of the Northwestern Ohio Natural Gas Company; Mr. Angle, of the Fayette County Gas Company; and the two natural gas engineers and experts, Mr. Wyer and Mr. Anderson.

The testimony of these witnesses is not contradicted by any of the evidence introduced in this case.

VI.

THE OBVIOUS AND DECLARED PURPOSE AND THE EFFECT OF SAID WEST VIRGINIA STATUTE IS TO DISCRIMINATE AGAINST CONSUMERS IN OTHER STATES IN FAVOR OF AND TO AND FOR THE COMMERCIAL, ECONOMIC AND OTHER ADVANTAGE OF CONSUMERS IN WEST VIRGINIA.

The argument on the Fourth Proposition hereinbefore was based on the contention that the sale and transportation of gas from state to state was interstate commerce of such a nature as to be national in character and to admit of and require a uniform system or plan of regulation.

The argument under the Fifth Proposition preceding was primarily upon the contention of complainant that the statute in controversy by its necessary operation would entirely prohibit and prevent interstate commerce in natural gas by confining its consumption to the State of West Virginia. The argument upon the Sixth Proposition above stated is founded upon the contention that even if the interstate commerce sought to be regulated by said statute was not of that national character and to admit of and require a uniform system or plan of regulation, and even if the statute did not wholly prohibit and prevent the exportation of gas from the State, nevertheless it is a discrimination unmistakably and unavoidably in favor of consumers in West Virginia and against consumers in other States, and therefore is such a burden upon, interference with, and regulation of interstate commerce, as has always been denounced by this Court.

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As has already been argued, from the text of the statute, the admissions in the Answer and the proofs in the case, the purpose of the statute in controversy was to keep for the use of consumers in West Virginia, until they were adequately supplied, the natural gas produced in that State. Consumers in West Virginia, regardless of consumers in other states, and at any cost to said consumers in other states, were to have an adequate gas supply. All consumers in West Virginia, domestic, industrial and others, and throughout the entire territory of the State, were to have such adequate gas supply, even if by providing such adequate supply the consumers in other States were given an inadequate supply, an intermittent supply, or no supply at all.

The evidence shows that there are millions of people in Pennsylvania, and even a larger number in Ohio, and large numbers in other States, who are dependent for their gas supply upon the gas produced in and exported from West Virginia.

The evidence further shows that under the operation of the statute in controversy, while consumers in West Virginia might engage in a natural gas "spree" or "debauch," at the same time consumers in other States would be starved for light or heat and would suffer accordingly in health, comfort, convenience, and to the extent perhaps of jeopardizing life.

The evidence further shows that under the operation of the statute in controversy while consumers in West Virginia would be obtaining an adequate supply, consumers in other States would not know from day to day or hour to hour upon what if any supply of natural gas they could depend. They would be in the position

of the man dying of thirst holding his parched lips to the closed spigot of a tank from which the contents were being drawn through the suction pipe of a pump in West Virginia. When the spigot was opened, whether or not his thirst would be satiated would depend on the length and the strength of the suction.

The hazardous, dangerous, intolerable and unbearable conditions under which consumers in other States under this statute would have to use gas supplied by the interstate gas companies, exporting gas from West Virginia, if they could use it at all, have been fully described. The West Virginia consumer could view the plight of these consumers in other states with complacency and assurance because protected by this statute, even though there be commingled with this self-satisfaction some pity that these unfortunates do not live in West Virginia to reap the benefit of this discriminatory statute.

It is hardly conceivable, under the averments of its Answer, that the State of West Virginia would attempt in this Court to deny that the purpose and intent of the statute in controversy was to discriminate in favor of West Virginia consumers against consumers in other States. In an exuberance of caution, however, and at the risk of wearying this court this question will now be fully considered.

This purpose and intent are demonstrated as follows:

**FIRST:** By the text of the statute itself, considered in connection with the nature and conditions of the natural gas industry in West Virginia and other States.

**SECOND:** From the history of events which led up to the enactment of said statute, as shown by the

evidence, as set forth by the State of West Virginia in its Answer, and as testified to by the Governor of West Virginia.

THIRD: From the legal positions taken in the Answer made in this case by the State of West Virginia.

FIRST: The express terms of the statute, and the nature and character of the natural gas business, demonstrate that the intent and purpose of the statute in controversy were to discriminate in favor of West Virginia consumers and against consumers in other States. The statute requires every gas company in the State to furnish gas for domestic, industrial or other purposes, to the public of the whole State of West Virginia.

The statute further provides that in case any gas company supplying any part of the public in West Virginia has a deficit, every other gas company can be compelled to make connections with such company, and, during the time of said deficit, make up the same.

Certain regulations and principles have grown up with and been developed by the experience of the natural gas business,—among others, the necessity of preferring domestic consumers to industrial consumers, and, for this purpose, at times of cutting off the industrial consumers. All of the contracts offered in evidence in this case made by the respective gas companies provide for this in express terms, as by reference thereto will more fully appear, and are made subject to the right of the company agreeing to supply gas to other gas companies to first supply its domestic consumers.

The Answer of the State of West Virginia admits that many of the gas companies have withdrawn or attempted to withdraw altogether their industrial classifications, and do not hold themselves out as willing to supply industrial consumers; but denies that the gas companies supplying gas in West Virginia have the right to withdraw their service to industrial consumers except to the extent necessary to furnish an adequate supply to the domestic consumers in West Virginia.

Without, therefore, invoking for the purpose of the argument on this particular question, the evidence already referred to and discussed,—that under the statute West Virginia consumers would preempt all of the gas that could be produced in West Virginia, and that the operation of the interstate lines would be wholly disorganized, so that no gas could be transmitted through such lines into other States,—it necessarily follows from the requirements of the statute itself and the nature and history of the business that the consumers in West Virginia during cold weather would take all of the gas produced in West Virginia, and that during such periods the transportation of any gas from West Virginia to other States would be prevented. It cannot be doubted that, if the terms of the statute are enforced, at least in cold weather, during the “peak load” periods, the demands of West Virginia consumers must be supplied at the expense and to the disadvantage of, and in discrimination against, consumers in all other States. There is no other source from which this adequate gas supply can be given to West Virginia consumers during such periods, except from the quantity intended for and being transmitted to other States. It is a simple mathematical proposition. If during “peak load” periods there is not enough gas to go around, that is, to supply con-

sumers in West Virginia and other States, for example, a billion feet, and consumers (domestic, industrial and others) in West Virginia must be first furnished with an adequate supply, taking the whole billion feet, before the balance, if any left, can be transported to such other States, then the amount necessary to supply West Virginia consumers must be taken away from consumers in such other States.

SECOND: The history of the events leading up to the enactment of the statute is not left in doubt. Complainant's witnesses gave such history. The State of West Virginia in its Answer details the event on account of which it states specifically the statute was enacted.

In its Answer the State of West Virginia gives the history of the development of the natural gas industry in that State, shows how the gas produced was at first disposed of to local communities in that State, and that as the quantities of gas produced increased, and no market therefor could be found in West Virginia, markets in other States were sought; that the great interstate pipe lines were accordingly laid, and the gas was then delivered and sold in such other States; that this course of dealing has continued for over a quarter of a century; that these interstate gas companies accordingly, which were engaged in the business of supplying gas to the public in West Virginia, afterwards also engaged in the business of transporting for sale and selling gas for consumption in the markets of these other States.

The Answer sets forth the fact that while at the inception of the interstate business the production of gas in West Virginia was increasing and there was ac-



cordingly a large surplus for export from West Virginia, and while this continued for many years, the production finally declined and is still declining, so that consumers in West Virginia experience a shortage in their supply of gas like consumers in other States.

The Answer alleges that the shortage of gas supplied to people of West Virginia "was and is caused by the transportation to or for consumption in other States," and that the interstate gas companies failed to supply a reasonably adequate service to the public of West Virginia or "to the local gas companies engaged in the service of said public, under the pretext that they were and are prevented from so doing by the necessities of the gas-consuming populations of said other States."

The Answer unequivocally asserts that it was on account of this situation that the statute in controversy was enacted.

It is manifest, therefore—in fact, beyond the range of possible controversy—that this statute was enacted for the express purpose of obtaining an adequate supply of gas for all consumers in West Virginia, domestic industrial and others, at the cost and expense and to the disadvantage of consumers in other States; or, to state the proposition in another form, it was a statute passed to discriminate against consumers in all other States in favor of consumers in West Virginia.

John J. Cornwell, who was Governor of the State of West Virginia at the time this statute was enacted, testified, (pages 1193 to 1197, Transcript of Record), as to the events which led up to the enactment of this statute. He called attention to the complaints that were made to him relative to the inadequacy of service by the gas companies operating in West Virginia, and the demands for relief. He tells about representatives

of manufacturers and other consumers calling upon him, of conferences he had with the gas companies, and then states that he laid the matter before the legislature, or called it to the attention of the legislature, at the regular biennial session of 1919, which enacted this statute and read into the record a part of his message upon this subject, a portion whereof is as follows:

“With the approach of last winter and the early cold weather there was an acute gas shortage in the central and northern sections of the State, especially for manufacturing purposes, which led to a demand of me by gas consumers for a special session of the legislature to enact a measure under which the gas companies would be compelled to furnish an adequate supply of gas to West Virginia consumers.”

He then states that the statute in controversy was passed at that session of the legislature.

The attention of the Court is directed particularly to the statement in this message, that there was a shortage of gas in certain sections “especially for manufacturing purposes.”

We have already referred to the general policy of all of these gas companies to prefer domestic consumers, and that it is a universal rule among such companies to reserve the right to cut off or reduce industrial consumers when necessary to supply the domestic consumption, and that this custom and policy and practice were admitted in the Answer of the State of West Virginia. Nevertheless, by the express terms of this statute, the industrial consumers and others in West Virginia (whatever “others” may mean; evidently the draughtsman of the Act was unwilling to allow a single foot of gas if it could be prevented to escape from the grasp of

West Virginians) as well as the domestic consumers, must be furnished an adequate supply of gas, before even the domestic consumers in other States were to be allowed any gas at all. Surely, argument is unnecessary to show this to be the most flagrant discrimination, to the advantage of West Virginia consumers of all classes, against any class of consumers in other States.

THIRD: The Answer of the State of West Virginia leaves no doubt of the purpose and intent of this statute being to discriminate in favor of West Virginia consumers to the disadvantage and against the interest of consumers in all other States. While here and there in this Answer will be found denials in general terms that the purpose and the intent of this statute were to discriminate, &c., such general denials, as also many of the admissions, are qualified by the phrase substantially to the effect, "except as in this Answer otherwise alleged." For example, in Paragraph XV at page 39 of the Answer:

"This defendant denies that the effect in general of said statute is to give to all consumers in West Virginia a preferential or prior right over consumers in Pennsylvania, but admits that the effect of such statute will be to give to all of the consumers in West Virginia in said statute mentioned to the extent of the gas therein mentioned a reasonably adequate supply of gas, and says that said gas is affected with the use or interest of said public of West Virginia as in this Answer before alleged."

And again, on the same page and in the same paragraph, referring to an averment of the bill of complaint as follows:

"If as expressly provided by said statute a reasonably adequate supply of gas must be given not only to domestic consumers but also to industrial consumers and for other consumption in the State of West Virginia by those engaged not only in intrastate but also those engaged in interstate transportation, and also in furnishing gas for use in West Virginia, then the demand for gas by consumers in West Virginia would so increase as to absorb practically all the gas produced in West Virginia, and prohibit the transportation thereof into Pennsylvania, or at least deplete the supply to such an extent that but a small proportion of the gas now being transported from West Virginia into Pennsylvania will be available for such transportation."

The Answer says:

"This defendant denies the allegation of subparagraph (f) of Paragraph Eleven of said bill, except as in this Answer otherwise alleged."

It is nowhere otherwise alleged.

These general denials so qualified cannot be invoked against the positive and affirmative claims and averments of the Answer. The theory of the State of West Virginia of its right to discriminate follows logically from the categorical statement of the law, as interpreted by it, upon which the State of West Virginia plants itself in its Answer. Defendant says in Paragraph XV of the Answer that it admits that the statute was designed to apply to all who were engaged in the supply of gas to the public of West Virginia, though they were also engaged in the transportation of gas into Pennsylvania and other States.

The Answer admits in Paragraph IX that while gas is or may be an article of interstate commerce, yet such gas in the pipes of public service companies in West Virginia cannot be considered in interstate commerce "unless and until it has reached the point where it is no longer subject to the public service of **West Virginia** and the duties imposed by law upon public service gas companies have been observed and performed by them."

This is fully explained by Paragraph XV of the Answer where it is claimed that the West Virginia gas required for the reasonably adequate supply of the public in West Virginia is affected with the use or interest of said public which is superior and prior to any introduction thereof into interstate commerce.

The Answer admits that the effect of said statute will be to give to all of the consumers in West Virginia in said statute mentioned to the extent of the gas therein mentioned a reasonably adequate supply of gas, and says that said gas is affected with the use or interest of said public of West Virginia as in this Answer before alleged."

It clearly appears, therefore, (a) that this statute was passed to obtain for all of the consumers in West Virginia, domestic, industrial and others, an adequate gas supply; (b) that West Virginia claimed that all of said consumers in West Virginia were entitled to this adequate supply before any part of said gas could be taken out of the State in interstate commerce; (c) that West Virginia claimed that the foregoing discrimination in favor of West Virginia consumers was justified because the gas produced in West Virginia was affected

with the use or interest of the public of West Virginia, which is superior and prior to any introduction thereof into interstate commerce.

Not only is the intent and purpose to discriminate plainly avowed, but the justification therefor under its construction of the law is proclaimed by the State of West Virginia.

If this principle of law contended for by the State of West Virginia is introduced into the body of our Federal laws, a startlingly new principle of far-reaching consequence will result.

As said in the Oklahoma case, of a different attempt there to prevent interstate commerce in natural gas, if this could be done "Pennsylvania might keep its coal, the Northwest its timber, the mining States their minerals. And why may not the products of the field be brought within the principle."

The foregoing deals with the purpose and intent of the statute and the grounds upon which the State of West Virginia claims the right to enact and enforce the same.

Let us now consider what would be the consequence of the enforcement of the statute as discriminating in favor of West Virginia consumers to the disadvantage of the consumers in other States. On cold days, when the domestic consumption in West Virginia is at its peak, and the industrial and other consumption in West Virginia takes out its demands, this must be at the cost and expense of the consumption in other States even of the domestic consumer. The additional amount necessary to furnish an adequate supply to the consumers in West Virginia cannot be calculated

upon a percentage basis, as for example, ten or twenty per cent. for the whole year. The amount taken out will be during those peak-load periods when there is a shortage of supply anyway, perhaps during comparatively short periods, and in consequence will leave nothing for transportation to other States.

The statute gives an option to all consumers in West Virginia, including those improvident local companies, upon the gas supplies of all of the companies, in preference to consumers in other States.

As heretofore stated, the natural gas industry grew up as an interstate business, wholly disregarding State lines, and the natural gas companies, in case of a shortage of gas, as far as possible distributed the gas among all domestic consumers in all the States upon equitable principles.

In place of this, however, the statute seeks to introduce discrimination in favor of the West Virginia consumers of all classes, to the disadvantage of all others.

Let it be emphasized that there is no contention in this case that the West Virginia domestic or industrial consumers have been in any way discriminated against by these interstate companies, or that at all times such West Virginia consumers have not obtained their full proportion of the available supply. In fact, the evidence shows, that the West Virginia consumers have been lavishly supplied as compared with all others, consuming twice as much as those in Pennsylvania and five times as much as those in Ohio.

The question is not, therefore, one of preventing discrimination against West Virginia consumers, for no such thing is even claimed. The statute proposes, not

to prevent discrimination against, but to compel discrimination in favor of, the West Virginia consumers.

Whether or not said statute of West Virginia, by intention and purpose, was to discriminate against interstate commerce, if in its practical operation it discriminates against interstate commerce, it is void as a direct burden upon such commerce in conflict with the Commerce Clause of the Federal Constitution.

In order to hold this statute unconstitutional it is not necessary, as stated in the proposition under which this argument is made, that the statute in its practical operation would wholly prohibit the exportation of gas from West Virginia, like the statute in the Oklahoma case, in 221 U. S. 229; nor is it necessary that the sale and transportation of gas from State to State should be held to be interstate commerce of such nature as to be national in character and to require a uniform system or plan of regulation, although complainant contends for both of those propositions. If the fact is that this West Virginia statute works a substantial discrimination in favor of West Virginia consumers and against consumers in other States, the statute must fall, because it places a burden upon, interferes with and undertakes to regulate, interstate commerce.

There are corollary propositions which may project themselves upon the judicial mind in considering complainant's argument upon this statute, as, for example, whether or not a statute would be sustainable requiring a public service corporation of West Virginia to furnish to its consumers within the State equally as good service as that furnished to consumers in other States, or whether or not the State of West Virginia could require of its public service corporations that they provide an adequate supply to their domestic con-



sumers before transmitting gas outside of the State for purposes other than domestic consumption; but these questions, while interesting to the legal mind, are not in any manner involved in this controversy, and the discussion thereof here would be wholly out of place.

In this case there is no doubt whatever that the gas that is taken out of West Virginia into other States is used in such other States for exactly the same purposes for which that gas is used in West Virginia. It is also undisputed that the consumers in other States enjoy no more consideration than consumers in West Virginia; in fact, that they enjoy much less. It is also clear, as already stated, that the West Virginia statute was not passed to prevent—what did not exist—discrimination against West Virginia consumers.

In practically every case where State laws have been held unconstitutional because they placed burdens upon interstate commerce by discriminating in favor of the State's own citizens against those of other States, they were cases where the State sought to protect the commerce of its own citizens by imposing burdens upon the citizens of other States coming into said State, or property brought into said State, or business transacted in said State. The majority of cases were those requiring payments for licenses by non-residents greater than those paid by residents, or imposing taxes upon goods brought into the State from other States or countries, to be sold in competition with the products of that State, or some regulation affecting the right of non-residents to do business in the State; and wherever any of these attempts have been made, and under whatever guise, this Court has declared the Act unconsti-

tutional because all such Acts discriminated in favor of the State's own citizens against the citizens of other States.

Many cases could be cited of this general character in each of which the principle stated is the same.

The direct question which we have here, of a State undertaking to hold within the State its coal, timber, minerals, products of the field, gas, or other property, for the benefit of its own citizens, has never been raised heretofore, except in the natural gas cases. This Court said in the case of *Oklahoma vs. Kansas Natural Gas Company*, 221 U. S. 229:

"The State, as we have seen, grants the use of the highways to domestic corporations engaged in intrastate transportation of natural gas, giving such corporations even the right to the longitudinal use of the highways. It denies to appellees the lesser right to pass under them or over them, notwithstanding it is conceded in the pleadings that the greater use given to domestic corporations is no obstruction to them. This discrimination is beyond the power of the State to make. As said by the Circuit Court of Appeals in the Eighth Circuit, no State can by action or inaction prevent, unreasonably burden, discriminate against or directly regulate interstate commerce or the right to carry it on. And in all of these inhibited particulars the statute of Oklahoma offends."

The principle, however, is the same. Whether for the benefit and advantage of its own citizens, the discrimination be an attempt to hold property within the State, or to keep property without the State, it is the unlawful discrimination that constitutes the interference with interstate commerce.

The general principle is stated in the case of *Welton v. Missouri*, 91 U. S. 275, as follows:

“The license tax exacted by the State of Missouri from dealers in goods which are not the product or the manufacture of the State, before they can be sold from place to place within the State, must be regarded as a tax upon such goods themselves, and the question presented is whether legislation thus discriminating against the products of other States in the conditions of their sale by a certain class of dealers is valid under the Constitution of the United States. \* \* \* The power of the State to exact a license tax of any amount being admitted, no authority would remain in the United States or in this court to control its action, however unreasonable or oppressive. Imposts operating as an absolute exclusion of the goods would be possible, and all the evils of discriminating State legislation, favorable to the interests of one State and injurious to the interests of other States and countries, which existed previous to the adoption of the Constitution, might follow, and the experience of the last fifteen years shows would follow, from the action of some of the States.”

The principle is thus stated by Mr. Justice Harlan, in *Guy v. Baltimore*, 100 U. S. 434:

“It must be regarded as settled that no State can consistently with the Federal Constitution impose upon the products of other States brought therein for sale or use, or upon citizens because engaged in the sale therein or the transportation thereto of the products of other States, more onerous public burdens or taxes than it imposes upon the like products of its own territory. \* \* \* The

concession of such a power to the States would render wholly nugatory the national control of commerce among the States and place the trade and business of the country at the mercy of local regulations having for their object to secure exclusive benefits to the citizens and products of particular States."

In *Walling v. Michigan*, 116 U. S., 446, it was said:

"A discriminating tax imposed by a State operating to the disadvantage to the products of other States when introduced into the first mentioned State is in effect a regulation in restraint of commerce among the States and as such is a usurpation of the power conferred by the Constitution upon the Congress of the United States."

In *Bowman v. Chicago & N. W. R. R. Co.*, 125 U. S., 465, it was said:

"Can it be supposed that by omitting any express declaration on the subject Congress has intended to submit to the several States the decision of the question in each locality of what shall and what shall not be articles of traffic in the interstate commerce of the country? If so, it has left to each State, according to its own caprice and arbitrary will, to discriminate for or against every article grown, produced, manufactured, or sold in any State and sought to be introduced as an article of commerce into any other. \* \* \* It may choose to establish a system directed to the promotion and benefit of its own agriculture, manufactures or arts of any description, and prevent the introduction and sale within its limits of any

or of all articles that it may select as coming into competition with those which it seeks to protect.”

In *Scott v. Donald*, 165 U. S. 58, this Court said:

“It is sufficient for the present case to hold, as we do, that when a State recognizes the manufacture, sale and use of intoxicating liquors as lawful, it cannot discriminate against the bringing of such articles in, and importing them from other States; that such legislation is void as a hindrance to interstate commerce and an unjust preference of the products of the enacting State as against similar products of other States.”

In the recent cases decided by this Court of *Sioux Remedy Company v. Cope*, 235 U. S. 197, and *Bethlehem Motors Corporation vs. Flynt*, (16 U. S. Advance Reps., 1920-21, p. 687), the foregoing and many other cases are cited with approval and followed, and it is held that such statutes imposing discrimination by a State in favor of its own citizens are void as in conflict with the Commerce Clause of the Federal Constitution.

The general principle of these authorities to be enforced is the same; certainly as strong, if not stronger, when the burdens and regulations imposed upon interstate commerce are applied to property and business going out of the State instead of to property and business coming into the State. So long as these impositions are burdens upon, regulations of, or interference with, interstate commerce, operating as discrimination in favor of its own citizens and against the citizens of other States, they offend against the Commerce Clause of the Federal Constitution, and it is immaterial whether the discrimination sought is accomplished by keeping the property or business inside the State, or preventing it from entering the State.

What the State cannot do, the gas company may not do, even as one of its obligations as a public service company.

Neither the State nor the gas company can so discriminate.

The converse of this proposition, that is, the right of a natural gas company to discriminate against consumers in another State, which it was serving in favor of the consumers in the state in which the gas was being produced, upon plea of primary charter obligation, was denied in *City of Jamestown v. Pennsylvania Gas Co.*, (U. S. Dist. Ct. W. D. N. Y.), 264 Fed., 1009 (1920). An injunction was granted restraining the defendant interstate gas company from withdrawing its service to the complainant city and its inhabitants in the State of New York, notwithstanding the contention that said gas company, a Pennsylvania corporation, owed a primary duty under its charter to render a reasonably adequate service to the cities of Erie, Corry and Warren, in the State of Pennsylvania, in which State the company obtained its natural gas supply.

Attempts have been made by several States, under various pretexts and by various subterfuges, as appears from the cases already cited, to accomplish the same purpose sought by the statute in controversy here, namely, to conserve the use of natural gas produced in a State for the exclusive use of consumers in said State; but without exception this Court and other courts, State and Federal, have held said statutes to be in conflict with the provisions of the Federal Constitution relating to interstate commerce. The draftsmen of the Commerce Clause of the United States Constitution foresaw the very dangers presented by this West Virginia statute.

Alexander Hamilton, in the seventh number of *The Federalist*, said :

“The competition of commerce would be another fruitful source of contention. The States less favorably circumstanced, would be desirous of escaping from the disadvantage of local situation, and of sharing in the advantage of their more fortunate neighbors. Each State, or separate confederacy, would pursue a system of commercial polity peculiar to itself. This would occasion distinctions, preferences and exclusion which would beget discontent.  
• • • The spirit of enterprise, which characterizes the commercial part of America, has left no occasion for displaying itself unimproved. It is not at all probable that this unbridled spirit would pay much respect to those regulations of trade, by which particular States might endeavor to secure exclusive benefits to their own citizens. The infractions of these regulations on one side, the efforts to prevent and repel them on the other, would naturally lead to outrages and these to reprisals and wars.”

In the twenty-second paper Alexander Hamilton said :

“The interfering and unneighborly regulations of some States, contrary to the true spirit of the Union, have, in different instances, given just cause of umbrage and complaint to others, and it is to be feared that examples of this nature if not restrained by a national control, would be multiplied and extended till they become not less serious sources of animosity and discord, than injurious impediments to the intercourse between the different parts of the confederacy.”

The ameliorating remedy of the commerce clause of the proposed Constitution is dwelt upon by Madison in the forty-second paper:

"But the mild voice of reason, pleading the cause of an enlarged and permanent interest, is but too often drowned before public bodies as well as individuals by the clamors of an impatient avidity for immediate and immoderate gain.

The necessity of a superintending authority over the reciprocal trade of confederated states has been illustrated by other examples as well as our own."

It is manifest that as a rule, it is to the interest of the State to encourage its export trade. The peculiar character of the natural gas industry, the fact that its supply is limited, that if its use could be confined to consumers in the State, where it was being produced, it would largely contribute to the wealth, prosperity and industry of that State, has made natural gas the exception, so that burdens and restraints upon its export have been attempted. It is therefore comprehensible that a State pursuing its own selfish interest, its vision "cribbed, cabined and confined" by the horizon of its State lines, should fail to see to what misfortunes such action would ultimately tend. To such selfish short-sighted States may be recommended the words of Mr. Justice McKenna, in the Oklahoma case, where he said:

"And yet we have said that 'in matters of foreign and interstate commerce there are no State lines.' In such commerce, instead of the States, a new power appears and a new welfare, a welfare which transcends that of any State. But rather let



us say it is constituted of the welfare of all the States and that of each State is made the greater by a division of its resources, natural and created, with every other State, and those of every other State with it."

The evidence showing how the operation of the statute in controversy will discriminate in favor of the citizens of West Virginia is collated under the Ninth Heading, pages 184 to 237 of the digest of evidence herewith filed by complainant.

The witnesses have graphically detailed the danger to life, the suffering, the inconvenience and the discomfort that would be occasioned by the operation of this statute, to millions of people in the States of Pennsylvania and Ohio and hundreds of thousands in other States.

This testimony also shows the enormous financial losses that would be suffered by the removal of natural-gas-burning appliances, the installation of appliances for burning other fuel, and, in some localities, the reconstruction of houses which were adapted solely to the use of natural gas.

This evidence shows in detail that while these conditions would obtain in these other States under the operation of the statute, and pursuant to its purpose, during this same period consumers in West Virginia would be subjected to none of these dangers, sufferings, inconveniences, discomforts, and financial losses.

It is hardly conceivable that there could be a better illustration than this case of the effect of State selfishness, the evils sought to be remedied and the good to be accomplished by the Commerce Clause of the United States Constitution, in prohibiting the passage of discriminatory statutes.

VII.

OVER EIGHTY PER CENT. OF THE NATURAL GAS ENTERING THE PIPE LINES OF THE INTERSTATE NATURAL GAS COMPANIES IN WEST VIRGINIA IS STARTED WITH THE DEFINITE INTENTION THAT IT SHALL BE TRANSMITTED IN INTERSTATE COMMERCE, AND AS A FACT IT IS SO TRANSMITTED TO PENNSYLVANIA, OHIO, AND OTHER STATES, WHEREFORE:

- (a) THE STATUTE CANNOT BE SUSTAINED BECAUSE IT PURPORTS TO ENFORCE DUTIES IMPOSED BY LAW UPON PUBLIC SERVICE GAS COMPANIES IN WEST VIRGINIA, OR ANY COMMON-LAW DUTY OF PUBLIC UTILITIES.
- (b) THE STATUTE CANNOT BE SUSTAINED BECAUSE THE SPECIFIC QUANTITY, OR THE EXACT DESTINATION, OR THE PARTICULAR CONSIGNEE, ARE UNKNOWN AT THE INCEPTION OF SAID TRANSPORTATION, OR BECAUSE IN SOME INSTANCES THE GAS IS TRANSPORTED BY THE PRODUCER OR OWNER FOR HIS OWN USE, OR FOR DISTRIBUTION, OR SALE, TO LOCAL CONSUMERS OR DISTRIBUTING COMPANIES, OR BECAUSE THERE IS A TRANSFER OF TITLE THERETO IN TRANSIT, OR BECAUSE OF ANY LOCAL NECESSITY, PUBLIC SENTIMENT OR EXPEDIENCY, TO RETAIN SAID GAS FOR USE BY THE CITIZENS OF WEST VIRGINIA.

- (c) THE STATUTE CANNOT BE SUSTAINED BECAUSE OF ANY ALLEGED POLICE POWER.
- (d) THE STATUTE CANNOT BE SUSTAINED BECAUSE OF ANY ALLEGED CORPORATE FRANCHISE REGULATION BY THE STATE OF WEST VIRGINIA, EITHER AS TO DOMESTIC OR FOREIGN CORPORATIONS ENGAGED IN INTERSTATE COMMERCE.
- (e) THE STATUTE CANNOT BE SUSTAINED BECAUSE SAID STATUTE APPLIES EQUALLY TO DOMESTIC AND NON-RESIDENT PERSONS AND TO INTRASTATE AND INTERSTATE COMMERCE, OR THE INTERBLENDING OF INTRASTATE AND INTERSTATE COMMERCE.
- (f) THE STATUTE CANNOT BE SUSTAINED BECAUSE SEVERAL OF THESE COMPANIES ALSO DO SOME LOCAL BUSINESS, BY DISTRIBUTING NATURAL GAS AT CERTAIN POINTS FROM THEIR PIPE LINE SYSTEMS TO LOCAL COMMUNITIES.
- (g) THE STATUTE CANNOT BE SUSTAINED BECAUSE THOSE INTERSTATE GAS COMPANIES, IF THERE ARE ANY, WHICH ARE NOT PUBLIC SERVICE COMPANIES UNDER THE LAWS OF WEST VIRGINIA WOULD NOT BE AFFECTED.

These respective positions of the State of West Virginia, because they are either directly raised by its Answer, or indirectly by its evidence, will be taken up separately. In an exuberance of caution every possible contention has been anticipated, although it may come to pass that only a portion of these contentions will be argued by West Virginia.

VII. (a) THE STATUTE CANNOT BE SUSTAINED BECAUSE IT PURPORTS TO ENFORCE DUTIES IMPOSED BY LAW UPON PUBLIC SERVICE GAS COMPANIES IN WEST VIRGINIA, OR ANY COMMON-LAW DUTY OF PUBLIC UTILITIES.

The West Virginia statute, while purporting to enforce a common-law duty of the public utility, in reality adds new and unusual burdens unknown to the common law.

It should be noted that the public utility which has professed and undertaken to serve a certain, definite community with natural gas, is by this Act compelled to serve an indefinite number of communities, anywhere "within the territory of this State," temporarily, at least, and perhaps permanently. In other words, this new and unusual obligation is not limited to communities contiguous to the territory which the public utility proprietor has assumed to supply, but to the extent that his volume of gas is derived from State sources he must furnish it "for public use within the territory of this State, and for the use of the public and every part of the public within the territory of

this State, in or from which such gas is produced, or through which said gas is transported, or which is served by such person."

It is difficult to understand why the draughtsman of the Act having first covered "for public use within the territory of this State," should have added the less comprehensive phrase "for the use of the public and every part of the public within the territory of this State in or from which such gas is produced or through which said gas is transported or which is served by such person." Even if the first phrase is limited by the second, the same argument applies.

The extension of the obligations of public service companies attempted by the statute may be explained by the contention on which the State in its Answer squarely plants itself, namely, that the gas produced in West Virginia is so affected with the use and interest of the public, that until that public has received an adequate supply the gas reduced to possession and introduced into their pipe lines by the gas companies cannot become the subject of interstate commerce because that use or interest is superior and prior to the right of introduction of such gas into interstate commerce. (See Answer Paragraph XV, p. 38). But as we have seen, this Court, in the cases already referred to, has decided that there is no such right of conservation in the State, but that natural gas is the subject of interstate commerce like any other commodity.

The common law does not require the public service proprietor to serve the public everywhere, but only that public, or part of the public, which reasonably comes within the scope of the service which he has professed or undertaken to render.

Wyman Public Service Corporations, Section 344.

"One who undertakes public employment has, in effect, thereby exposed and vested an interest of himself in all the King's subjects that will employ him in the way of his trade. But the duty thus defined is not to all men but to a certain public limited in various ways according to the usual profession (or nature of the undertaking). Thus a gas company owes its duty only to those who occupy premises within the territory covered by the service. And an innkeeper does not owe his duty to all who apply to him, but only to travelers. These two examples show that the duty itself has its limitations."

The innkeeper case referred to by the learned author is *Cayle's Case*, 8 Coke 32 (1584) in which that great common law jurist distinguished between the members of the public to which the service was owed, holds that it was to travelers and wayfarers, not to neighbors.

*Public Service Corporation v. American Lighting Co.*, 67 N. J. Eq. 122, 57 Atl. 482 (1904), is the gas case mentioned in the text quoted.

There a company that controlled a new and improved type of gas-burner demanded from the local gas company a supply of gas at the top of every lamp-post in the city so that it might fulfill its contract to supply the city with light. In denying its right to demand said service, or the duty of the local company to furnish it, Mr. Vice Chancellor Pitney, said, (p. 127, 128) :

"I am entirely of the opinion that the defendant the lighting company has no standing whatever, in its own right, to demand from the complainants a supply of gas. For the simple reason,

above stated, that it is neither a householder nor a resident of Jersey City, and the obligation which is imposed upon complainants, by reason of their enjoyment of a public franchise of laying mains in the streets, to furnish gas, extends only to residential citizens of the city and to the municipality. It is quite absurd to say that any person who might happen to be walking along the street, and yet be destitute of any local habitation within the corporate limits of Jersey City, has the least right to demand a supply of gas from the complainants."

In *People ex rel. Pennsylvania Gas Co. v. Public Service Commission*, 196 N. Y. App. Div. 514; 189 N. Y. S. 478 (1921), it was held that the Commission could not compel the relator, a foreign interstate natural gas corporation, to make connections and extend its service to new consumers in a city which the company was serving under a franchise, irrespective of the fact that said new applicants lived on streets through which the mains were laid, where it was proven that the supply of gas was inadequate to serve existing consumers, and was constantly diminishing, and the taking on of additional consumers would destroy the service it was then trying to maintain, and subject its consumers to great hazard of destruction of life and property.

Wyman, Public Service Corporations, Section 273.

"Thus, a gas company may not be called upon to serve beyond the municipality for which it has been chartered."

See also Section 274 Territorial limits fixed by franchise.

The law of "Reasonably Adequate Supply" as applied to public service companies, and as applied to a natural gas company, would only justify the courts to enforce the common-law obligation of furnishing "a reasonably adequate supply" of gas to the specific community or communities which the public service company has professed or undertaken to serve, under the terms of its charter or of its local franchise, or within the reasonable ambit of its actual service, and not more.

Mr. Justice Hughes summed up the common law situation in *Northern Pacific Ry. Co. v. North Dakota*, 236 U. S. 585 (1915), when he said: (p. 595).

"But, broad as is the power of regulation, the State does not enjoy the freedom of an owner. The fact that property is devoted to a public use on certain terms does not justify the requirement that it shall be devoted to other public purposes, or to the same use on other terms, or the imposition of restrictions that are not reasonably concerned with the proper conduct of the business according to the undertaking which the carrier has expressly or impliedly assumed.

If it has held itself out as a carrier of passengers only, it cannot be compelled to carry freight. As a carrier for hire it cannot be required to carry persons or goods gratuitously."

This Court had long before recognized the common-law principle to be that a common-carrier by railroad could not be compelled to serve beyond his line, that is beyond the service which he had professed or undertaken to furnish to the public, in *Atchison, T. & S. R. Co. v. Denver & New Orleans R. Co.*, 110 U. S. 677 (1884). In the course of the opinion, Chief Justice Waite declared (p. 680):



"At common law, a carrier is not bound to carry except on his own line, and we think it quite clear that if he contracts to go beyond he may, in the absence of statutory regulations to the contrary, determine for himself what agencies he will employ."

Nor can a railroad company be required to deliver cars at the terminus of another railroad to which they are consigned at destination, even though there is a physical connection between the terminal of the two roads. *Central Stock Yards Co. v. Louisville & N. R. Co.*, 192 U. S. 568 (1904).

Similar decisions have been reached by the State courts. For instance, *Hoyt v. Chicago, B. & Q. R. Co.*, 93 Ill. 601 (1879) holding that a railroad company could not be compelled to deliver grain to a warehouse off its line; *The Pittsburgh, Cinn. & St. Louis Ry. Co. v. Morton*, 61 Ind. 539 (1878), that a railroad company owed no duty as to reasonable facilities beyond its own route; and *Pittsburgh, etc., Ry. Co. v. Viers*, 115 Ky., 526 (1902), to the effect that a railroad company's common law liability extended only to the end of its own line.

The common-law principles laid down by Mr. Justice Hughes in *Northern Pacific Ry Co. v. North Dakota*, 236 U. S. 585 (1915) *supra*, were applied to a water-supply service by the Supreme Court of Idaho in *Murray v. Public Utilities Commission*, 27 Ida. 603; 150 Pac. 47 (1915).

The Court said (p. 623):

"In order to justify the Commission in ordering enlargements, the Commission should be satisfied from the evidence: First, that the existing

plant is not reasonably sufficient to render adequate service (*Washington ex rel O. R. & N. Co. v. Fairchild*, 224 U. S. 510; Second, that the extension or enlargement is within the scope of the original professed undertaking of the proprietor of the utility (*N. P. R. Co. v. N. Dak.*, 236 U. S. 585)."

A strong case in point is *Fidelity Title & Trust Co. v Kansas Natural Gas Co.*, 219 Fed. 614 (1913), in which it was held that the order of the Public Utilities Commission of Kansas requiring the receiver of the defendant gas company to go into Oklahoma and extend its pipe line system in that State to new and distant fields, was unconstitutional.

Mr. Justice Holmes, delivering the opinion in *Interstate Commerce Commission v. Delaware L. & W. R. Co.*, 216 U. S. 531 (1910), thus referred to the provision of Section 1 of the Interstate Commerce Act, as amended in 1906, requiring main line railroads to provide on application connections with branch lines, (p. 537):

"The statute creates a new right not existing outside of it. *Wisconsin, Minnesota & Pacific R. Co. v. Jacobson*, 179 U. S. 287, 296."

*R. R. Co. vs. Jacobson*, above cited, involved the validity of a State statute requiring intersecting railroads to provide physical connections and interchange of traffic.

Mr. Justice Peckham said, (p. 296):

"At common law the courts would be without power to make such an order as was made in this case by the State court. Legislative authority would be necessary in order to give power to the courts to render a judgment of this kind."

Here the State of West Virginia has attempted to impose a new duty, unknown at common law, and in actual operation a regulation of the public service obligation owed equally to Pennsylvania, Ohio and other States as well as to West Virginia.

It falls within the words employed by Mr. Justice Holmes in *Western Union Telegraph Co. v. Foster*, 247 U. S. 105 (1917) :

"If the transmission of the quotations is interstate commerce the order in question cannot be sustained. It is not like the requirement of some incidental convenience that can be afforded without seriously impeding the interstate work. It is an attempt to affect in its very vitals the character of a business generically withdrawn from State control—to change the criteria by which customers are to be determined and so to change the business. It is suggested that the State gets the power from its power over streets which it is necessary for the telegraph to cross. But if we assume that the plaintiffs in error under their present charters could be excluded from the streets, the consequence would not follow. Acts generally lawful would become unlawful when done to accomplish an unlawful end. *United States v. Reading Co.*, 226 U. S. 324, 357, and a constitutional power cannot be used by way of condition to attain an unconstitutional result. *Western Union Telegraph Co. v. Kansas*, 216 U. S. 56; *Sions Remedy Co. v. Cope*, 235 U. S. 197, 203. The regulation in question is quite as great an interference as a tax of the kind that repeated decisions have held void. It cannot be justified 'under that somewhat ambiguous term of police powers.' *Western Union Telegraph Co. v.*

*Pendleton*, 122 U. S. 347, 359; *Leisy v. Hardin*, 135 U. S. 100; *Savage v. Jones*, 225 U. S. 501, 520; *Western Union Telegraph Co. v. Brown*, 234 U. S. 542, 547."

It should be further noted that by furnishing natural gas to landowners or others along the route of their pipe-lines in accordance with the provisions of gas-well leases, gas acreage leases, and the like, these public utility proprietors have not professed, or undertaken, to serve the general public occupying the territory in which their supply of gas is produced or through which their pipe-line systems pass, nor by the law of West Virginia is such service held to be a public service. *Pittsburgh & W. Va. Gas Co. v. Nicholson*, 105 S. E. 784 (1921), not yet reported in the West Virginia Supreme Court Reports.

The foregoing argument is intended to show :

(a) That there are no duties imposed by law on public service gas companies, prior to the passage of this Act, which would authorize the State in demanding that these public service companies supply gas to citizens of all classes throughout the State, and

(b) that to the common-law duty of public utilities the statute in controversy adds new and unusual burdens, unknown to the common-law.

In the Ninth Paragraph of its Answer in this case, it is contended by the State of West Virginia that while this gas is or may be an article of interstate commerce, and admittedly when so, not subject to State control, nevertheless, the State, while this gas is in the pipe lines in West Virginia, may subject such gas to the

public service in West Virginia without thereby interfering with interstate commerce or placing a burden thereon, because as stated in the Fifteenth Paragraph of the Answer, the use and interest of the public of West Virginia in said gas is superior and prior to any introduction thereof into interstate commerce.

Under the Commerce Clause of the Federal Constitution the proposition should be stated exactly the converse to that claimed by the State of West Virginia. It should be stated: While goods are in transit in interstate commerce they cannot be subject to the public service in West Virginia, nor to the duties imposed by law upon public service companies, if those duties or obligations in any manner interfere with the transmission of such articles in interstate commerce.

The contention of the State of West Virginia disregards certain well-settled principles of law as follows:

**FIRST:** Gas placed in mains or pipes by public service gas companies, while in course of transmission from points in West Virginia to points in other States, is in interstate commerce, and the companies so transmitting this gas were not obligated to observe and perform any duties imposed by law in West Virginia upon public service companies, when and if such duties, so imposed, directly burden, interfere with or prohibit such transportation in interstate commerce.

**SECOND:** Commodities in transit in interstate commerce by public service transportation companies are subject to the paramount public service of the nation, provided for by the Constitution of the United States, and whenever such rights, duties and obligations of and to the nation under the commerce clause

of its constitution conflict with the rights, duties or obligations which the State seeks to impose, then the latter are without force and effect, but utterly void.

VII. (b) THE STATUTE CANNOT BE SUSTAINED BECAUSE THE SPECIFIC QUANTITY, OR THE EXACT DESTINATION, OR THE PARTICULAR CONSIGNEE, ARE UNKNOWN AT THE INCEPTION OF SAID TRANSPORTATION, OR BECAUSE IN SOME INSTANCES THE GAS IS TRANSPORTED BY THE PRODUCER OR OWNER FOR HIS OWN USE OR FOR DISTRIBUTION OR SALE TO LOCAL CONSUMERS OR DISTRIBUTING COMPANIES, OR BECAUSE THERE IS A TRANSFER OF TITLE THERETO IN TRANSIT, OR BECAUSE OF ANY LOCAL NECESSITY, PUBLIC SENTIMENT OR EXPEDIENCY TO RETAIN SAID GAS FOR USE BY THE CITIZENS OF WEST VIRGINIA.

Where, as the evidence in this case establishes, upwards of eighty per cent. of the natural gas entering the pipe lines of the great interstate natural gas companies in the producing areas of West Virginia, is started from the originating points with the definite intention that it shall be directly and continuously transmitted or transported in interstate commerce, and as a business fact it is so transmitted or transported to the consuming markets of Pennsylvania, Ohio and other States, in a normal, established and recurring course of commerce and in fulfillment of contracts previously entered into therefor, and this has been the fact and the course of bus-

iness many years, the interstate character of such transmission or transportation is not affected by the fact that the specific quantity, or the exact destination, or the particular consignee, beyond the limits of the originating State, are unknown at the inception of said transmission or transportation.

The natural gas cases exemplify this fundamental principle, that it is the real and essential nature of the transmission or transportation and not the accidents of a definite consignee or destination in another State, or the designation of any specific portion of the commodity, or the quantity thereof to be delivered to a particular person or place outside the State, that gives interstate or foreign character to such commerce. See *Oklahoma v. Kansas Natural Gas Co.*, *supra*; *Kansas Natural Gas Co. v. Haskell*, *supra*; *Haskell v. Cowham*, *supra*; and *Haskell v. Kansas Natural Gas Co.*, *supra*.

In *Landon v. Public Utilities Commission of Kansas*, 242 Fed. 658 (1917), the Court, Booth, D. J., decided these questions on the authority of this Court:

"Absence of a specific consignee at the time of shipment does not alter the character of the shipment. *Swift & Co. v. U. S.*, 196 U. S. 375, 25 Sup.Ct. 276, 49 L. Ed. 518; *T. & New Orleans R. Co. v. Sabine Co.*, 227 U. S. 111, 33 Sup. Ct. 229, 57 L. Ed. 442; *Grand Union Tea Co. v. Evans (D. C.)* 216 Fed. 791.

The exact destination need not be fixed at the time of the shipment, provided the intent and purpose is to continue the journey beyond the limits of the State in which the journey begins. *Ohio R.*

*R. Co. v. Worthington*, 225 U. S. 101, 32 Sup. Ct. 653, 56 L. Ed. 1004; *T. & N. O. Co. v. Sabine Co.*, 227 U. S. 111, 33 Sup. Ct. 229, 57 L. Ed. 412.

Reverting to the character of the business transacted by the receiver, it is to be noted: (a) That the shipment is started on its journey from one state to another, (b) with the purpose that it shall be delivered to a consumer. (c) That it moves continuously from a point of shipment in one state to the consumer in another state. (d) That it is moved part of the way in the pipe lines of the receiver, and part of the way in the pipe lines of the distributing company, whether as agent of the receiver or connecting carrier is immaterial. (e) The destination of the shipment is intended at the time of the shipment to be beyond the state, although the name of the particular consumer for any specific portion of the gas shipped is not known. (f) There is no stoppage in transportation. (g) The title to the gas remains in the receiver until delivery to the ultimate consumer."

The above quoted case, when it came before this Court in *Public Utilities Commission v. Landon*, 249 U. S. 236 (1919), *supra*, was reversed on the sole ground that the court below held that the natural gas transmitted from Oklahoma to Kansas continued to be in interstate commerce *after delivery to the local distributing companies*, and that its interstate character ceased when it passed into the local mains of the local distributing companies.

See also:

*Terminal Co. v. Interstate Commerce Com.*,  
219 U. S. 498.



*Railroad Commission of Louisiana v. Texas & Pacific Ry. Co.*, 229 U. S. 336 (1913).

*R. R. Comm. vs Texas, & Pac. Ry. Co.* 229 U. S. 336, furnishes authority establishing that the natural gas started on its way from the producing fields of West Virginia even in those cases when intended for delivery in West Virginia to other persons or companies, with the purpose and intention that it is to be exported by them, in conformance with the long-existing, normal and constantly recurring course of commerce in that commodity to the consuming centers of Pennsylvania, Ohio and other States, constitutes interstate commerce within the protection of the Federal Constitution, although during the transit to the point of delivery the exact consignee and destination beyond the State, or the quantity to go to any particular person or place, are indefinite and unknown.

As pointed out by Mr. Justice McReynolds in *Illinois Central Railroad Co. v. Louisiana Railroad Commission*, 236 U. S. 157, 163, (1915) :

“When freight actually starts in the course of transportation from one State to another it becomes a part of interstate commerce. The essential nature of the movement and not the form of the bill of lading determines the character of the commerce involved. And generally when this interstate character has been acquired it continues at least until the load reaches the point where the parties originally intended that the movement should finally end.”  
(Citing cases.)

See also :

*Penna. R. R. v. Clark Coal Co.*, 238 U. S., 456.

The fact that the gas is transported by the producer or owner to other States for his own use or to be there distributed to local consumers or sold to local distributing companies does not change the interstate character of the transaction.

In *Pennsylvania Gas Co. v. Public Service Commission of New York*, 252 U. S. 23 (1920), this Court said, By Mr. Justice Day (p. 28):

"In the instant case the gas is transmitted directly from the source of supply in Pennsylvania to the consumers in the cities and towns of New York and Pennsylvania, above mentioned. Its transmission is direct and without intervention of any sort between the seller and the buyer. The transmission is continuous and single and is, in our opinion, a transmission in interstate commerce and therefore subject to applicable constitutional limitations which govern the States in dealing with matter of the character of the one now before us."

In another recent case *Public Utilities Commission of Kansas v. Landon, Receiver, etc.*, 249 U. S. 236 (1919), this court expressly recognized that the transmission or transportation of natural gas up to the mains of the local companies was interstate commerce in these words, McReynolds, J., (p. 245):

"That the transportation of gas through pipe lines from one state to another is interstate commerce may not be doubted. Also, it is clear that as part of such commerce the receivers might sell and deliver gas so transported to local distributing companies free from unreasonable interference by the State."

In fact in every natural gas case that has come before this Court the gas was owned by the natural gas company that also did the transportation; the transportation was only an incident in the sale of the gas by the company to the consumer or to local distributing companies in other States.

The fact that there is in some instances a transfer of title in transit does not affect the interstate character of the transaction.

*Swift & Co. v. United States*, 196 U. S. 375 (1905).

The point was directly before the Court in *Gulf, Colorado & Sante Fe Ry. Co. v. Texas*, 204 U. S. 403 (1907).

Mr. Justice Brewer said, (p. 412) :

"It is undoubtedly true that the character of a shipment, whether local or interstate, is not changed by a transfer of title during the transportation.

\* \* \* \* \*

The control over goods in process of transportation, which may be repeatedly changed by sales, is one thing; the transportation is another thing, and follows the contract of shipment, until that is changed by the agreement of owner and carrier."

If considerations of local necessity, public sentiment or expediency, were allowed to control, and the States by their legislatures to interpret this local necessity, public sentiment, or expediency, the Commerce Clause of the Constitution of the United States might as well have been traced in sand.

As has already been shown by citations from the Federalist, the draftsmen of the Constitution sought to guard the interest of the nation as a whole against the States' conception of their own necessities and expediency.

In the leading case of *Oklahoma v. Kansas Natural Gas Co.*, *supra*, Mr. Justice McKenna considered at length and expressly denied the supremacy of this alleged paramount right of the State of self-help, on account of local necessity or expediency, although in that case, as stated in the opinion of this Court, the State of Oklahoma drew a graphic picture of natural gas as a local necessity, and concluded this picture with the words:

“ \* \* \* and that, substantially, the only natural, practical, usable fuel, both for domestic and industrial use, is natural gas.”

An unusually strong situation of State necessity was presented in *Kansas City Southern Ry. Co. v. Kaw Valley Drainage District*, 233 U. S. 75 (1914). There the Supreme Court of Kansas having ordered the defendant railroad to remove certain railroad bridges, which formed “a necessary part of lines of commerce by rail among the States,” on the ground that said bridges were obstructing the flow of the rivers spanned by them and causing destructive floods, this Court reversed said decree as a direct interference with the freedom of interstate commerce and in violation of the exclusive control thereover conferred upon Congress by the Federal Constitution, the destructive floods to the contrary notwithstanding.

In the case of *United Fuel Gas Company vs. Walter S. Hallinan, State Tax Commissioner*, No. 835 Oc-

tober Term, 1920, (writ of error and petition for writ of certiorari to the Supreme Court of West Virginia), argued before this Court last month and not yet decided, the questions submitted directly related to some of the foregoing propositions. In that case this Court was asked to review a decision of the Supreme Court of Appeals of West Virginia construing the West Virginia Privilege Tax Act, and to decide how far if at all the interstate character of the transportation of natural gas would be affected by the fact that the transmission is accomplished by delivery in West Virginia to connecting lines, and that a small portion of the gas so delivered is resold in West Virginia to consumers along such connecting lines; the West Virginia Court having held that such gas was not in interstate commerce, but that where gas was delivered to connecting companies which sold no part thereof to consumers in West Virginia, that gas was in interstate commerce.

Accordingly the Supreme Court of Appeals of West Virginia as will be observed, in its opinion and decision held that a part of the gas so in transit was in intrastate and another part in interstate commerce.

The statute in controversy here in this case now before this Court ignores the fact that any portion of this gas may be in interstate commerce. The statute compels every gas company in the State to deliver all of the gas in its lines when necessary to supply West Virginia consumers, without regard to whether or not any portion of said gas is in transit in interstate commerce. This statute authorizes the taking of even that

portion of the gas which the Supreme Court of Appeals of West Virginia has held was gas in transit in interstate commerce.

**VII. (c) THE STATUTE CANNOT BE SUSTAINED BECAUSE OF ANY ALLEGED POLICE POWER.**

This so-called "Adequate Gas Supply" statute of West Virginia cannot be supported as a legitimate and authorized exercise of the State's police power, either for the protection of the interests of its citizens, or for the conservation of a natural resource.

"No urgency for its use [police power], can authorize a State to exercise it in regard to a subject-matter which has been confided exclusively to the discretion of Congress by the United States Constitution."

*Henderson v. Mayor of New York*, 92 U. S. 259.

"The decisions also show that a State cannot avoid the operation of this rule by simply invoking the convenient apologetics of the police power. It repeatedly has been said or implied that a direct interference with commerce among the States could not be justified in this way."

*Kansas City Southern Ry. Co. v. Kaw Valley Drainage District*, 233 U. S. 75.

The long established principle that the exercise by a State of its reserved police and other powers must not conflict with the exclusive power over interstate commerce conferred upon Congress by the United States

Constitution, has been recognized and applied by this Court to attempted regulation by States of the transmission or transportation of natural gas into other States.

*Oklahoma v. Kansas Natural Gas Co.*, *supra*, turned on this very point.

There the state statute was stoutly defended as an enactment for the conservation of that natural resource, and as a *bona fide*, legitimate and constitutional exercise of the State's reserved police power, affecting interstate commerce but indirectly and incidentally.

Mr. Justice McKenna, delivering the opinion of the Court, painstakingly examined these claims.

Page 249:

"The provisions of the act, it is further insisted, are but an exercise of the police power to conserve the natural resources of the state. \* \* \* And such exercise of power, it is contended, does not regulate interstate commerce, but only affects it indirectly."

Page 250:

"The appellant makes a broader contention. The right to conserve, or rather the right to reserve, the resources of the state for the use of the inhabitants of the state, present and future, is broadly asserted. 'The ruling principle of the law,' counsel say, 'is conservation, not commerce.' \* \* \* We are, therefore, admonished at the very start in the discussion of the importance of the questions presented and the power which the states may exert against one another."

These claims were disallowed.

In refusing to modify the decree in the above case, this Court, in *Haskell v. Kansas Natural Gas Co.*, *supra*, carefully reviewed and reaffirmed that decision.

Other gas cases in point are the following:

*Haskell v. Cowham*, 187 Fed., 403 (1911).

*State ex rel. Corwin v. The Indiana & Ohio Oil, Gas & Mining Co.*, 120 Ind., 576 (1889) *supra*.

In the latter case the Court said:

"But it is evident that that act under examination cannot under the rule laid down by the court of last resort (U. S. Supreme Court) be deemed a legitimate exercise of the police power. \* \* \* The act cannot be taken out of the operation of the federal decisions upon the theory that it is a valid exercise of the police power resident in every sovereign state, for the theory is without foundation."

Over a decade later, in *Manufacturers Gas etc. Co. v. Indiana Natural Gas Co.*, 155 Ind., 545 (1920), the same court, in reviewing and reaffirming its decision, pointed out, Dowling, C. J. (page 546):

"Nothing done by the appellee is complained of, excepting only that it removes natural gas out of the State of Indiana. No ground for the exercise of the police power of the state to prevent such removal is shown."

The New Jersey Court of Chancery in *Benedict et al v. Columbus Construction Co.*, 49 N. J. Eq. 23; 23 Atl., 485 (1892), when called upon in a stockholders' suit to determine the constitutionality of the Indiana Act of



March 4, 1891, prohibiting the use of any artificial means of accelerating the natural flow of the gas, by Chancellor McGill said, (page 37) :

"It requires but a simple mathematical calculation to ascertain that the effect of this law is to limit the transportation of gas to a radius of about 60 miles from the gas wells, and to restrict it within the territorial limits of the State of Indiana. \* \* \* As a police regulation, this provision of the law, upon its face, appears to be an absurdity. \* \* \*"

Whenever a State seeks some pretext for interfering with, burdening, regulating or prohibiting interstate commerce, it almost invariably invokes "the convenient apologetics of the police power."

This Court has accordingly been required again and again to pass upon the question of how far the reserved police powers of the respective States authorize legislation by the States affecting interstate commerce. In all those cases, this Court, without attempting to fix the exact limits or the precise definition of the words "police power," has declared that "whatever may be the nature and extent of that power where not otherwise restricted, no definition of it and no urgency of its use can authorize a State to exercise it in regard to subject matter which has been confided exclusively to the discretion of Congress by the Constitution."

*Henderson vs. Mayor of New York*, 92 U. S. 259.

In case after case, where State after State has sought to sustain statutes affecting interstate commerce, upon the alleged reservation of its police powers, when it was made to appear that in fact the legislation of

the State directly sought to burden, interfere with, regulated, and especially if it prohibited or prevented, commerce between the States or with foreign countries, such legislation has been declared unconstitutional.

// In *Railroad Co. vs. Husen*, 95 U. S. 465, this court said (page 470):

"We admit that the deposit in Congress of the power to regulate foreign commerce and commerce among the States was not a surrender of that which may properly be denominated police power. What that power is it is difficult to define with sharp precision. It is generally said to extend to making regulations promotive of domestic order, morals, health, and safety. • • • But whatever may be the nature and reach of the police power of the State, it cannot be exercised over a subject confided exclusively to Congress by the Federal constitution. It cannot invade the domain of the national government. It was said in *Henderson et al. v. Mayor of City of New York, et al.* (*supra*), to be clear, 'from the nature of our complex form of government, that whenever the statute of a state invades the domain of legislation which belongs exclusively to the Congress of the United States, it is void, no matter under what class of powers it may fall, or how closely allied it may be to powers conceded to belong to the states.' Substantially the same thing was said by Chief Justice Marshall in *Gibbons v. Ogden*, 9 Wheat, 1."

To the same effect among other cases in this Court are the following:

*New Orleans Gas Co. v. Louisiana Light Co.*,  
115 U. S., 650. (1885).

- Walling vs. Michigan*, 116 U. S., 446.  
*W. U. Telegraph Co. vs. Pendleton*, 122 U. S.  
347.  
*Bowman vs. Ry. Co.*, 125 U. S. 465.  
*Leisy vs. Hardin*, 135 U. S. 100.  
*Minnesota vs. Barber*, 136 U. S. 313.  
*Crutcher vs. Kentucky*, 141 U. S. 47.  
*Brennan vs. Titusville*, 153 U. S. 289.  
*W. U. Tel. Co. vs. Kansas*, 216 U. S. 1.  
*R. R. Co. vs. Brewing Co.*, 223 U. S. 70.  
*Savage vs. Jones*, 225 U. S. 501.  
*Crenshaw vs. Arkansas*, 227 U. S. 389.

This statute, however, was not passed by the State of West Virginia under any alleged reserved police power. The State may ultimately invoke the "convenient apologetics" of this power, but its Answer sets forth that the powers sought by said statute are enforceable because of some peculiar right of use and interest of the public of West Virginia in the gas produced in that State which is superior and prior to any right to introduce the same in interstate commerce.

**VII. (d) THE STATUTE CANNOT BE SUSTAINED BECAUSE OF ANY ALLEGED CORPORATE FRANCHISE REGULATION BY THE STATE OF WEST VIRGINIA, EITHER AS TO DOMESTIC, OR FOREIGN CORPORATIONS, ENGAGED IN INTERSTATE COMMERCE.**

This West Virginia statute, regulating the transmission and supply of natural gas, cannot be supported as a corporate franchise regulation, either as to domestic corporations engaged in interstate commerce therein, nor as to foreign corporations there engaged in inter-

state business. The power of the State over said corporations, by the Commerce Clause of the Federal Constitution, is atrophied. It cannot be exercised so as to burden, interfere with, regulate, prevent or prohibit the interstate business of said corporations. A constitutional power over intrastate corporations may not be exercised to obtain an unconstitutional result, the control of interstate business.

The power of a State, under any alleged corporate franchise regulation, to regulate the doing of local business is not unrestricted or absolute. This power must be exercised subject to the limitations of the United States Constitution. The exertion of that power over either a domestic or a foreign corporation, engaged within the State in both local and interstate business, in such a way as to directly or by its necessary operation burden the interstate commerce of said corporation, is unconstitutional.

The franchise or other powers of a State over its domestic corporations may not be so exerted as to prohibit those corporations from exercising their right under the Federal Constitution to lawfully engage in interstate commerce, or to directly hinder, burden or interfere with their exercise of that right, or to discriminate against those domestic corporations engaged within the State in such commerce.

*Oklahoma v. Kansas Natural Gas Co., supra.*

*Haskell v. Kansas Natural Gas Co., supra.*

*Haskell v. Cowham, supra.*

Illuminating cases recently decided by this court, where States have sought to control or regulate interstate commerce by statutes specifying the terms or conditions upon which corporations could transact busi-

ness within such States, providing corporate franchise regulations and the like, are the following:

*Western Union v. Kansas*, 216 U. S. 1.

*The Minnesota Rate Cases*, 230 U. S. 352.

*Sioux Remedy Co. v. Cope*, 235 U. S. 197.

*International Paper Co. v. Massachusetts*, 246 U. S. 135.

Because the corporations producing gas in West Virginia and transmitting the same through pipe lines are public service corporations, the State of West Virginia in its Answer claims the right, as a corporate franchise regulation, to compel these companies to first furnish an adequate supply of gas to consumers in West Virginia, and to make up the deficit of any other public service gas company in West Virginia that has a deficit in supplying its consumers.

Whatever may be the powers of the State of West Virginia over the corporations doing an exclusively intrastate business, the power of the State over corporations engaged in interstate business is limited by the Commerce Clause of the Federal Constitution, and any power which the State of West Virginia might otherwise possess and have the right to exercise, cannot be exerted upon this interstate commerce if it will have the effect of burdening, interfering with or regulating such interstate commerce.

It has already been argued, and the evidence demonstrates, that the effect of the operation of the statute will be not only to burden, interfere with, and regulate, but to absolutely prohibit and prevent, the export of gas from the State of West Virginia.

VII. (e) THE STATUTE CANNOT BE SUSTAINED BECAUSE IT APPLIES EQUALLY TO BOTH DOMESTIC AND NON-RESIDENT PERSONS AND TO INTRASTATE AS WELL AS INTERSTATE COMMERCE, AND THE INTERBLENDING OF INTRASTATE AND INTERSTATE COMMERCE.

The West Virginia statute in controversy can derive no constitutional justification on the ground that it applies equally to domestic and non-resident persons engaged in furnishing gas to or for use of the public in West Virginia, nor as subjecting intrastate and interstate commerce within the limits of the State to the same regulations.

The Oklahoma statute in *Oklahoma v. Kansas Natural Gas Co.*, *supra*, expressly forbade domestic corporations from transmitting or transporting natural gas out of the State, or disposing of said gas for such exportation, and also prohibited and prevented the transmission or transportation of natural gas from the State by foreign corporations.

In *Haskell v. Cowham*, *supra*, the statute of Oklahoma of 1907 was held unconstitutional, as it only permitted pipe lines to be laid on or across State highways by domestic corporations which were forbidden to transmit natural gas from the State, or to sell it for transmission, on pain of forfeiture of their charters.

The statute prohibiting the transportation of natural gas from the State, condemned in *State ex rel. Corwin v. Indiana & Ohio Oil, Gas & Mining Co.*, *supra*, applied to domestic as well as foreign persons transmitting or transporting natural gas out of the State.

In the *State Freight Tax Case*, 15 Wall. (82 U. S.), 232 (1872), *supra*, Mr. Justice Strong thus answered the contention that a State might constitutionally subject interstate commerce to the same regulation as imposed on domestic commerce in the absence of action by Congress (page 276) :

“Nor is it at all material that the tax is levied upon all freight as well that which is wholly internal as that embarked in interstate trade. \* \* \* The state may tax its internal commerce, but if an act to tax interstate commerce is unconstitutional, it is not cured by including within its provisions subjects within the domain of the state. Nor is a rule prescribed for carriage of goods through, out of or into a state any the less regulation of transportation because the same rule may be applied to carriage which is wholly internal.”

This passage is quoted and applied by Mr. Justice Bradley, in *Philadelphia Steamship Co. v. Pennsylvania*, 122 U. S. 326 (1887), *supra*.

In a previous case in the same year, *Robbins v. Shelby Taring District*, 120 U. S. 489, (1887), the same principle was stated.

See also *Wabash, etc. Ry. Co. v. Illinois*, 118 U. S. 557 (1886), *supra*.

*Minnesota v. Barber*, 136 U. S. 313 (1890), *supra*.

*Galveston, Harrisburg, etc. Ry. Co. v. Texas*, 210 U. S. 217.

*Ohio Railroad Commission v. Worthington*, 225 U. S. 101 (1912).

*Texas & N. O. R. R. Co. v. Sabine Tram Co.*, 227 U. S. 111 (1913).

*Railroad Commission of Louisiana v. Texas & Pacific Ry. Co.*, 229 U. S. 336 (1913) ; all *supra*.

The interblending of intrastate and interstate commerce cannot operate to deprive Congress of the exclusive jurisdiction conferred upon it by the Commerce Clause of the United States Constitution.

The general principle is stated and many of the leading authorities cited by Mr. Justice Hughes in the *Minnesota Rate Cases*, 230 U. S. 352 (1913).

"There is no room in our scheme of government for the assertion of State power in hostility to the authorized exercise of Federal power. The authority of Congress extends to every part of interstate commerce, and to every instrumentality or agency by which it is carried on; and the full control by Congress of the subjects committed to its regulation is not to be denied or thwarted by the commingling of interstate and intrastate operations. This is not to say that the nation may deal, with the internal concerns of the State, as such, but that the execution by Congress of its constitutional power to regulate interstate commerce is not limited by the fact that intrastate transactions may have become so interwoven therewith that the effective government of the former incidentally controls the latter. This conclusion necessarily results from the supremacy of the national power within its appointed sphere. *McCulloch v. Maryland*, 4 Wheat. 316, 405, 426; *The Daniel Ball*, 10 Wall. 557, 565; *Smith v. Alabama*, 124 U. S. 465, 473; *Baltimore & Ohio R. R. Co. v. Interstate Commerce Commission*, 221 U. S. 612, 618, 619 [Hours of employment case];



*Southern Railway Co. v. United States*, 222 U. S. 20, 26, 27 [Safety appliance case]; *Mondon v. N. Y. N. H. & H. R. R. Co.*, 223 U. S. 1, 47, 54, 55 [second employers' liability case.]”

Also see *Illinois Central R. Co. v. Behrens*, 233 U. S. 473 (1914).

And *Phila. & Reading R. Co. v. Hancock*, 253 U. S. 284 (1920).

VII. (f) THE STATUTE CANNOT BE SUSTAINED BECAUSE SOME OF THESE COMPANIES ALSO DO SOME LOCAL BUSINESS, BY DISTRIBUTING NATURAL GAS AT CERTAIN POINTS FROM THEIR PIPE LINE SYSTEMS TO LOCAL COMMUNITIES.

The fact that these interstate gas companies, whether domestic corporations or not, are also engaged in rendering a local public utility service to certain definite communities, does not increase the authority of the State of West Virginia to exercise its regulatory power in such manner, as to directly interfere with and substantially destroy the constitutional freedom of such gas companies to carry on such interstate business independent of State molestation and restriction.

*State Freight Tar*, case 15 Wall. (82 U. S. ) 232 (872), *supra*.

*Hall v. De Cuir*, 95 U. S. 485 (1877), *supra*.

*LeLoup v. Mobile*, 127 U. S. 640 (1888).

*Crutcher v. Kentucky*, 141 U. S. 47 (1891),  
*supra*.

*Allen v. Pullman Co.*, 191 U. S. 171 (1903).

In *Western Union Telegraph Co. v. Kansas*, 216 U. S. 1 (1910), this Court said:

"We cannot fail to recognize the intimate connection which, at this day, exists between the interstate business done by interstate companies and the local business which, for the convenience of the people, must be done or can generally be better and more economically done by such interstate companies rather than by domestic companies organized to conduct only local business. It is of the last importance that the freedom of interstate commerce shall not be trammelled or burdened by local regulations which under the guise of regulating local affairs really burden rights secured by the Constitution and laws of the United States. While the general right of the States to regulate their strictly domestic affairs is fundamental in our constitutional system and vital to the integrity and permanence of that system, that right must always be exerted in subordination to the granted or enumerated powers of the general government, and not in hostility to rights secured by the supreme law of the land. \* \* \* ." (Underscore ours.)

See also *Ohio Railroad Commission v. Worthington*, 225 U. S. 101 (1912), *supra*.

*South Corington & Cinc. Street Ry. Co. v. City of Corington*, 225 U. S. 537 (1915), *supra*.

The State of West Virginia seeks to take advantage of the fact that these great interstate gas com-

panies do a small local business by supplying a comparatively small quantity of gas, from their gas in transit through their interstate transportation systems, to communities or industries along their interstate lines in West Virginia.

Seizing upon this situation, the State by this statute seeks to regulate, burden, interfere with, in fact prevent and prohibit, all interstate business of these gas companies, by extending the severely localized business of each of said gas companies, without their consent, over the whole State, and to the entire population of the State, domestic, industrial and other, thus seizing all of their business.

By pretending to regulate and control this small per cent. of local business, the statute by its operation would turn from its flow into Pennsylvania, Ohio and other States, all the gas produced by these companies in West Virginia, and force it into lines for delivery within the State of West Virginia. It not only burdens and regulates the interstate transportation system, but seizes the very article while en route in interstate commerce, and compels its diversion from delivery in other States to delivery throughout the State of West Virginia.

VII. (g) THE STATUTE CANNOT BE SUSTAINED BECAUSE THOSE INTERSTATE GAS COMPANIES, IF THERE ARE ANY, WHICH ARE NOT PUBLIC SERVICE COMPANIES UNDER THE LAW OF WEST VIRGINIA WOULD NOT BE AFFECTED.

The answer to any such contention, if made, is found in the words of the Court in *Louisville & Nashville R. Co. v. Eubank*, 184 U. S. 27 (1902). Referring to the point before us, Mr. Justice Peckham, speaking for the Court, declared (pages 41, 42) :

"It seems also to be thought that there is no regulation of commerce, provided it is not interfered with or regulated in all ways by which transportation of commodities between interstate localities may be accomplished; that if the commodity (tobacco in this case) can be transported by any other means or route, or by any other individual or corporation than the one affected by the regulation, commerce is not regulated within the constitutional meaning. On the contrary, it seems quite clear that any law which in its direct result regulates the interstate transportation of a single individual carrier, or company of carriers, violates the provision in question; that it is no answer that the commodity can still be transported by another carrier or by water instead of rail, so long as the direct effect of the State legislation is to regulate the transportation of the commodity by a particular means, by rail instead of by water, or by a particular individual or company."

It will no doubt transpire that some of the foregoing reasons will not be urged by the State of West Virginia as bases for sustaining the constitutionality of the statute in controversy.

As this brief of argument had to be prepared (this being a case of original jurisdiction) before the contentions of the defendant could be fully ascertained,

it was deemed advisable to anticipate, as far as possible, every imaginable reason for sustaining said statute that could be assigned by the defendant.

It is hoped that by pursuing this course this Court will not have been subjected to an unreasonable and unnecessary burden.

VIII.

THE POSSIBILITY THAT THE STATE OF WEST VIRGINIA MAY EXERCISE SOME FORBEARANCE AND THAT THE STATE PUBLIC SERVICE COMMISSION MAY EXERCISE A LIBERAL DISCRETION IN THE ENFORCEMENT OF SAID STATUTE, IN NO SENSE MITIGATES THE REPUGNANCY OF SAID STATUTE TO THE COMMERCE CLAUSE OF THE UNITED STATES CONSTITUTION.

Chief Justice Marshall in *Brown v. Maryland*, 12 Wheaton, 419 (1827) said:

“Questions of power do not depend on the degree to which it may be exercised. If it may be exercised at all, it must be exercised at the will of those in whose hands it is placed.”

In *Western Union Telegraph Co. v. Kansas*, 216 U. S. 1 (1910), *supra*, this Court said:

“But it is said that none of the authorities cited are pertinent to the present case, because the state expressly disclaims any purpose by the statute in question to obstruct or embarrass interstate commerce. . . . But the disavowal by the state of any purpose to burden interstate commerce cannot conclude the question as to the fact of such a burden being imposed, or as to the unconstitutionality of the statute as shown by its necessary operation upon interstate commerce.”

The answer of the State of West Virginia, filed in this case, makes discussion of this point purely theoretical. It has asserted its right, under the statute, to compel the delivery to its consumers of an adequate supply of gas, although such gas was at the time in transit to consumers in other states, through interstate transmission lines.

IX.

THE WEST VIRGINIA STATUTE SO INVOLVES THE REGULATION OF BOTH INTRA-STATE AND INTERSTATE TRANSMISSION OF NATURAL GAS, THAT BY NO POSSIBLE CONSTRUCTION COULD IT BE UPHELD WITHOUT BEING SO REMODELED THAT IT WOULD BE A MERE SPECULATION WHETHER THE LEGISLATURE WOULD HAVE PASSED IT IN ITS NEW FORM, AND THIS COURT CANNOT RESHAPE SAID STATUTE SIMPLY BECAUSE IT EMBRACES ELEMENTS THAT IT MIGHT HAVE REACHED IF IT HAD BEEN DRAWN WITH A DIFFERENT MEASURE AND INTENT.

In *Oklahoma v. Wells Fargo & Co.*, 223 U. S. 298 (1912), the Oklahoma tax of 1910 on the gross revenues of corporations was under consideration by this Court, and whether certain parts could be sustained without the others was argued. Mr. Justice McKenna said (p. 302) :

“Whether the statute could be construed as separable of course would be ultimately for the State court in any event. *Telegraph Co. v. Texas*, 105 U. S. 460. But we see no possible construction upon which it could be upheld without being so remodeled that it would be a mere speculation whether the legislature would have passed it in the new form. Neither the court below nor this court can reshape the statute simply because it embraces elements that it might have reached if it had been drawn with a different measure and intent.”

Chief Justice Elliott, in *State ex rel, Corwin v. The Indiana & Ohio Oil, Gas & Mining Co.*, 120 Ind.

576 (1889), *supra*, in condemning an Indiana statute which prohibited the transportation of natural gas from the State as repugnant to the commerce clause, declared (p. 578) :

“The provisions of the statute are so interlocked that separation is impossible. Where the provisions of a statute are so closely blended that a separation cannot be effected without substituting another law for that intended to be enacted, none can be made by the courts. *Griffin v. State ex rel.*, 119 Ind. 520.”



**X.**

**THE NATURAL AND NECESSARY OPERATION AND EFFECT OF SAID STATUTE WILL BE TO IMPAIR THE OBLIGATION OF CONTRACTS.**

This question may be considered:

**FIRST.** With reference to the contracts made between the State of West Virginia and the interstate natural gas companies;

**SECOND.** With reference to the contracts made by these interstate natural gas companies with consumers in other States and with other natural gas companies in West Virginia and other States, and with the States of Pennsylvania, Ohio, &c.

A statement of the fact situation is the best argument that could be made under the above contentions.

The State of West Virginia, by charter to those gas companies organized under the laws of West Virginia, and by permits or certificates to the companies organized under the laws of other States and doing business in West Virginia, has entered into a contract with said corporations substantially to this effect: Those natural gas companies organized under the laws of West Virginia, and foreign gas companies admitted into said State, have the right to engage in a certain business within the State of West Virginia. The character of that business is set forth specifically, including the location of the principal place of business and its chief works; and the object and purpose for which the corporation was formed, and the kind and character of business in which it was to engage.

Gas companies incorporated under the laws of other States, and authorized to do business in West Virginia, were granted the same rights, powers and privileges, and were subject to the same regulations, restrictions and liabilities, as were conferred and imposed upon corporations chartered under the laws of West Virginia.

The State reserved the right, by Act of its legislature of 1867, to alter any charter or certificate of incorporation thereafter granted, and to alter or repeal any law applicable to such companies. Prior to that time there was no such right in the legislature.

Every application for charter, (Section 2899, c. 54, Code of West Virginia), had to set forth:

“The object and purposes for which this corporation is formed are as follows: (Here insert fully the objects and purposes for which the corporation is formed, the kind or character of business in which it is to engage \* \* \*).”

These gas companies accordingly took up leases, drilled wells, developed their gas fields, purchased gas from other producers, constructed their pipe lines, compressing stations, and the like, built their distributing systems in the cities, towns and villages they had agreed to supply, and continued their transportation systems through West Virginia across the State lines into Pennsylvania, Ohio and other States. In these other States they made contracts for the delivery of gas to consumers and to other gas-distributing companies and to the States themselves. Contracts were also made for the delivery of gas to other gas-transmission companies in West Virginia for transmission through their own system of pipe lines into other States.

There thus grew up and was developed this vast interstate transportation and transmission system and

interstate commerce in natural gas that have already been fully described in this brief of argument. The investment therein of these great interstate companies aggregates several hundred million dollars.

Now, after all these years, after these contracts by charter, and this course of dealing by and between the State of West Virginia and the natural gas companies, and by and between the natural gas companies and their consumers in West Virginia and in other States, for over a quarter of a century, the State of West Virginia, by the statute in controversy, undertakes to compel the natural gas companies operating in the State to increase their territory in West Virginia to be supplied, from perhaps one small community to communities and centers of population throughout the whole State, and to all residents of the State who may desire to consume the gas, and further undertakes to compel every gas company operating in the State to supply every other gas company operating in the State with enough gas to make up the deficit of such other company, if it has a deficit, in supplying consumers in West Virginia, and it further undertakes to compel every gas company in West Virginia, before it can transmit or transport any gas out of the State, to adequately supply not only its own consumers but every other consumer in the State, if so ordered by the authorities of the State. And all this without regard, first, to the contract between the State and these gas companies; secondly, without regard to the contract obligations which these companies may have entered into under the former regime before the passage of this Act; thirdly, without regard to the wishes, the capital, or the property of these gas companies or the effect of such changes upon the respective gas companies; and, fourthly, without regard to the investment of hundreds of millions

of dollars by these gas companies, in leases, wells, pipe lines, and compressor stations, and in the vast system of obtaining, producing, transmitting and selling natural gas in interstate commerce.

FIRST. The statute in controversy impairs the obligations of the contract made by the State of West Virginia with the natural gas companies operating in that State.

New, unusual and extraordinary burdens are placed upon these gas companies by the provisions of the statute in controversy, such as :

being compelled to enlarge their territory of supply throughout the State;

being compelled to supply all consumers, industrial and others as well as domestic;

being compelled to make connections with other gas companies and supply them with enough gas to make up the deficit of such other companies, if so ordered by the State authorities;

being compelled to give an adequate gas supply to all consumers alike in West Virginia before supplying any gas to any consumers outside of the State;

being compelled to abandon their interstate transmission and sale of gas, incurring thereby losses of hundreds of millions of dollars in plant and equipment.

None of these obligations was contemplated by their charters or previously enjoined by the laws of West Virginia.

All of these obligations are not only in conflict with the contract as made by the State of West Virginia with these gas companies, by the granting of charters to them, but are also in conflict with and directly opposed to the course of dealing between the State and these companies under said contracts, which has prevailed and been observed, recognized and permitted for over a quarter of a century, during which time, on the strength of this interpretation of the contract, these gas companies have made investments of hundreds of millions of dollars.

If it be argued that these changes are authorized by the reservation of the right to alter and amend charters under the provisions of the Corporation Laws of West Virginia of 1867, above referred to, then the answer is that this Court in *Railroad Company v. Commission of Wisconsin*, 237 U. S. 220, 234, said:

“We would be very averse to deciding that, without explicit declaration, every general law of the State applicable to corporations is enacted as an amendment to their charters. \* \* \* It is one thing to decide that corporations are subject to the police power of the State, and quite another to hold that every general law is an amendment to their charters.”

Unless the statute in controversy can be defended under this provision of the West Virginia law as an amendment to the charters of these corporations, and it cannot be, then the statute in controversy directly affects, burdens, imposes new duties upon, entirely changes, and therefore impairs the obligations of the contract theretofore made by the State of West Virginia with these respective gas companies.

*Miller v. The State*, 15 Wall. 478.

*Adirondack Railway v. New York State*, 176 U. S. 335, 344.

*Berea College v. Commonwealth of Kentucky*, 211 U. S. 45.

*Carondelet Canal Co. v. Louisiana*, 233 U. S. 362, 377.

SECOND. The statute in controversy impairs the obligation of contracts made by these interstate natural gas companies with consumers and with other natural gas companies in other States, and with natural gas companies in the State of West Virginia which have purchased gas for transmission and transportation out of West Virginia into other States.

Under the course of dealing sanctioned and approved by the State of West Virginia for over a quarter of a century, these great interstate natural gas companies built their systems of pipe lines from West Virginia into these other States for the purpose of transmitting gas into such other States, and made contracts for the sale of such gas to consumers in these other States and to the States themselves. They also made contracts with other gas companies in such other States for the delivery of gas for transmission and distribution by such other companies in such other States. They also made contracts with gas companies in West Virginia engaged in interstate transmission for the sale of gas to be transported and transmitted into these other States.

All of these contracts are with one fell swoop utterly destroyed by the statute in controversy, because by the enforcement of the provisions of said statute the gas companies in West Virginia are forced and compelled to ignore such contracts, disregard the same, and supply

gas intended and consigned for delivery under said contracts, to other parties and other consumers in the State of West Virginia. No contract is excepted. Gas that has reached the border line of the State in transmission under these contracts to parties outside of the State, under the provisions of the statute in controversy, is there embargoed and its return to be supplied to consumers in West Virginia is compelled under heavy fines and penalties.

A more direct impairment of the obligation of a contract would not have resulted if this statute had in express terms provided that "notwithstanding your contracts with Ohio, Pennsylvania, Indiana, Maryland, Kentucky, and the United States Government, and notwithstanding the obligation thereof, and notwithstanding the fact that you are in the midst of the performance of these contracts in accordance with their terms, they shall not be regarded, they shall have no effect, they shall not avail, but you must supply all of this gas to consumers in the State of West Virginia."

## XI.

THE NATURAL AND NECESSARY EFFECT OF SAID STATUTE IS TO DENY TO CITIZENS OF PENNSYLVANIA, OHIO AND OTHER STATES, THE PRIVILEGES AND IMMUNITIES GRANTED BY SAID STATUTE TO CITIZENS OF WEST VIRGINIA.

The language of the Constitutional provision, Article XIV, invoked by the above point, is as follows:

“\* \* \* No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.”

While this Article of the Federal Constitution does not necessarily relate to the prohibition against State interference with interstate commerce, nevertheless the vast majority of the cases in which this Court has been called upon to pass upon Article XIV, were cases likewise involving the question of interstate commerce.

This emphasizes the thought that whenever the discrimination or the deprivation prohibited by Article XIV has been attempted by any State, it has been directed more particularly against non-residents.

We are not left to conjecture as to the purpose of the statute of West Virginia. In the Answer filed by the State of West Virginia, the State baldly and boldly asserts the West Virginia has the right to require that West Virginia gas shall be supplied to West Virginia consumers until they shall have obtained an adequate



supply, and that this right of West Virginia consumers is superior and prior to any right or authority in the owner to introduce this gas into interstate commerce, &c.

It is manifest from an examination of the statute itself, and it is expressly stated in the Answer of the State of West Virginia in this case, that the very purpose of this Act is to discriminate in favor of consumers in West Virginia against consumers in other States. Every provision of the statute is drawn with this design and purpose in view.

The evidence in the case shows the effect of the operation of the statute will be, briefly stated, as follows:

FIRST. It will give to all classes of consumers in West Virginia, domestic, industrial and others, an adequate supply of natural gas, (the best fuel known to man for comfort, convenience and economy), in preference to consumers of any kind in other states.

SECOND. It will give to industries in the State of West Virginia advantages in competition with industries engaged in like lines of business, located outside of West Virginia.

THIRD. It will encourage and induce industries now located in other States to transfer their plants to West Virginia, so as to obtain the advantage of the use of natural gas.

FOURTH. It will practically deprive consumers of natural gas in Pennsylvania, Ohio, and other States, of the use of natural gas for fuel, and thus place them at a disadvantage as compared with consumers in West Virginia, in comfort, convenience, economy and business.

FIFTH. As between citizens of West Virginia it will enable those gas companies and individuals who are shipping gas out of the State in interstate commerce, but who are not engaged in furnishing gas within the State, to continue their business while all others are prohibited.

This Court said in *Connolly v. Sewer Pipe Co.*, 184 U. S. 540, 558:

“What may be regarded as a denial of the equal protection of the laws is a question not always easily determined, as the decisions of this court and of the highest courts of the States will show. It is sometimes difficult to show that a State enactment, having its source in a power not controverted, infringes rights protected by the National Constitution. No rule can be formulated that will cover every case. \* \* \* . In *Hayes v. Missouri*, 120 U. S. 68, 71, we said that the Fourteenth Amendment required that all persons subject to legislation limited as to the objects to which it is directed, or by the territory within which it is to operate, ‘shall be treated alike, under like circumstances and considerations, both in the privileges conferred, and in the limitations imposed.’ ‘Due process of law and the equal protection of the laws,’ this court has said, ‘are secured, if the laws operate on all alike, and do not subject the individual to an arbitrary exercise of the powers of government.’ *Duncan v. Missouri*, 152 U. S. 377, 382. Many other cases in this court are to the like effect. \* \* \* For this court has held that classification ‘must always rest upon some difference which bears a reasonable and just relation to the act in respect to which the classification is proposed, and can never be made arbitrarily and without any such basis.

\* \* \* But arbitrary selection can never be justified by calling it a classification. The equal protection demanded by the Fourteenth Amendment forbids this. \* \* \* No duty rests more imperatively upon the courts than the enforcement of those constitutional provisions intended to secure that equality of rights which is the foundation of free government.' ”

This Court said, in *Cotting v. Stock Yards Co.*, 183 U. S. 79, 87, quoting from *Reagan v. Farmers Loan & Trust Co.*, 154 U. S. 362:

“The equal protection of the laws which, by the Fourteenth Amendment, no State can deny to the individual, forbids legislation, in whatever form it may be enacted, by which the property of one individual is, without compensation, wrested from him for the benefit of another, or of the public. This, as has been often observed, is a government of law, and not a government of men, and it must never be forgotten that under such government, with its constitutional limitations and guarantees, the forms of law and the machinery of government, with all their reach and power, must in their actual workings stop on the hither side of the unnecessary and uncompensated taking or destruction of any private property, legally acquired and legally held.”

As stated, the statute and the Answer of the State of West Virginia show that discrimination, is what was sought; the statute abridges the privileges and immunities of citizens of other States, and also discriminates between those in the same State, but justifies all this in the manner hereinbefore stated. The answer to that alleged justification has already been made.

If for the moment, for the purpose of this argument, the violation of the Commerce Clause of the Constitution be forgotten, and the fact stated by this Court, that in matters of interstate commerce there are no State lines, be remembered, then clearly the very purpose and intent of this statute, as declared therein and asserted by the State in its Answer, is to give to citizens of West Virginia an adequate supply, and to non-residents no gas, if that is necessary to first supply the demands of the citizens of West Virginia. The whole question at issue in this suit is whether or not the State has the legal right to thus discriminate against and to abridge the privileges and immunities of non-residents of West Virginia.

## XII.

THE NATURAL AND NECESSARY EFFECT OF SAID STATUTE IS TO DEPRIVE THE INTERSTATE NATURAL GAS COMPANIES OPERATING IN WEST VIRGINIA OF THEIR PROPERTY WITHOUT DUE PROCESS OF LAW.

It was held in the leading case of *Oklahoma v. Kansas Natural Gas Co.*, *supra*, after citing and quoting from decisions of this and other Courts to the effect that the surface owners, under whose lands natural gas existed, could not be deprived of the right to reduce it to possession, without the taking of private property, without due process of law; the Court continuing:

“It surely cannot need argument to show that if they could not be deprived of the right to reduce the gas to possession they could not be deprived of any right which attached to it when in possession.”

It follows that any law which takes away from the owner of gas, after it has been reduced to possession, the right to dispose of it, is the taking of property without due process of law. Especially is this true in the instant case, where by this statute the State undertakes to select the market for this gas, to reserve it for future purchasers and use within the State of West Virginia, and to compel delivery to consumers or to other gas companies exclusively in said State of West Virginia,—parties to whom the owner of said gas is under no contract relation or obligation whatever.

Sanborn, C. J., in the case of *Haskell v. Cowham*, *supra* said:

“But an owner who by virtue of his ownership of land or of mining leases thereof has the vested right to draw by means of wells or pumps natural gas from beneath the surface is the owner of valuable property which the State cannot take from him without just compensation and State laws and acts of the officers of a State which prevent him from taking it from the land and selling it and conveying it out of the State in interstate commerce, while they permit the withdrawal and sale of such gas in interstate commerce, necessarily violate the national Constitution, (1) because they take his property without just compensation, (*Ohio Oil Co. v. Indiana*, 177 U. S. 190, 209, 210, 20 Sup. Ct. 576, 44 L. Ed. 279; *People v. New York Carbonic Acid Gas Co.*, 196 N. Y., 421, 441, 90 N. E. 441; *Manufacturers Gas & Oil Co. v. Indiana Natural Gas & Oil Co.*, 156 Ind. 679, 59 N. E. 169, 60 N. E. 1080).”

The case of *Kansas Natural Gas Co. v. Haskell*, decided by Pollock and Campbell, District Judges, 172 Fed. 545, contains a full discussion of this question and a review of the cases in this and lower courts, and reaches the same conclusion,—that any restrictions which would prevent the owner of gas, after it has been reduced to possession, from disposing of the same in the markets of his own selection, is the taking of property without due process of law.

This same proposition may be stated in still another form:

The statute in controversy, depriving the owner of property, which is subject to sale by him, of the right to contract for such sale to any party outside of West Virginia, thereby takes from him the Constitutional liberty to make contracts.

In *Allgeyer v. Louisiana*, 165 U. S. 578, this Court had under consideration a statute of Louisiana forbidding any person in the State "to effect, for himself or another insurance on property, then in this State, in any marine insurance company, which has not complied in all respects with the laws of this State." Allgeyer mailed a letter from New Orleans to New York to an insurance company there to insure certain shipments from New Orleans to foreign ports.

Mr. Justice Peckham, in delivering the opinion of this Court, holding the statute unconstitutional, said, (page 589) :

"\* \* \* we think the statute is a violation of the Fourteenth Amendment of the Federal Constitution, in that it deprives the defendants of their liberty without due process of law. \* \* \* The liberty mentioned in that Amendment means not only the right of the citizen to be free from the mere physical restraint of his person as by incarceration, but the term is deemed to embrace the right of the citizen to be free in the enjoyment of all his faculties; to be free to use them in all lawful ways; to live and work where he will; to earn his livelihood or avocation, and for that purpose to enter into all contracts which may be proper, necessary and essential to his carrying out to a successful conclusion the purposes above mentioned."

The effect of the statute in controversy is to prevent the making of any contract for the sale of gas by the owner thereof to any party outside the State of West Virginia. The statute attaches such conditions to such a contract of sale, so many impediments to its fulfillment, and so many contingencies,—some of which are sure, temporarily at least, to prohibit its perform-

ance—that no man would make the purchase under such a contract, subject to such conditions, impediments and contingencies.

As has been shown by the evidence of all the experts in the gas industry who have testified in this case—experts representing all the large interstate gas companies doing business in West Virginia—the statute in controversy would prohibit the making of contracts for sale of gas outside of West Virginia.

If this is its effect, then the statute deprives the owners of natural gas in the State of West Virginia—the natural gas companies—of their liberty; the liberty to contract for the sale of their property; without due process of law.

Again, the statute in controversy would place the expensive interstate pipe line systems and facilities of these interstate natural gas companies at the service of indefinite communities and of other public service gas companies engaged in furnishing a purely intrastate service (whose supply of gas happened to be inadequate). The statute would authorize these communities and these other gas companies to avail themselves of the use of said equipment and facilities which these interstate proprietors had provided not only for the specific communities that they had professed or undertaken to serve in West Virginia, but also in Pennsylvania, Ohio and other States, and aggregating an investment of hundreds of millions of dollars.

Mr. Justice Holmes said, in *Louisville & Nashville R. Co. v. Central Stock Yards Company*, 212 U. S. 132 (1909), in declaring unconstitutional the requirements of the Constitution and statute of Kentucky, as construed by the Supreme Court of that State, requiring



that intersecting railroads deliver to each other their own cars when loaded with goods consigned to points on the connecting line, in order to facilitate through traffic (page 143) :

“There remains for consideration only the third division of the judgment, which requires the plaintiff in error to receive at the connecting point, and to switch, transport and deliver all live stock consigned from the Central Stock Yards to any one at the Bourbon Stock Yards. This also is based upon the sections of the constitution that have been quoted. If the principle is sound, every road into Louisville, by making a physical connection with the Louisville & Nashville, can get the use of its costly terminals and make it do the switching necessary to that end, upon simply paying for the service of carriage. The duty of a carrier to accept goods tendered at its station does not extend to the acceptance of cars offered to it at an arbitrary point near its terminus by a competing road, for the purpose of reaching and using its terminal station. To require such an acceptance from a railroad is to take its property in a very effective sense, and cannot be justified, unless the railroad holds that property subject to greater liabilities than those incident to its calling alone.”

Let it be noted that in the above and like cases of connecting railroads, &c., the question affects the transportation alone. In the case of natural gas companies and compulsory connections of their transmission systems of pipe lines we have the added feature and most important consideration of the compulsory delivery by this connection of the gas belonging to the

interstate gas company to the company having a deficit. The statute not only gives to the company having a deficit the use of the transmission system, but also the title to and beneficial use of the property being transported through such system.

*Respectfully submitted,*

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